

BRANCH RESOURCES REVIEW 2012/2013**Updated to include 2014**

Contents:	Pages:
First Consultative paper	1-12
Second Consultative paper	13-19
Newsletters	20-35
Fact Sheets	36-42
OLBA user reviews	43-45
NEC Branch Resources Review Report To 2013 NEC	46-69
NEC Branch Resources Review Report To 2014 NEC	70-90

UNISON branch resources review – a consultative paper

What this is and why it is important

The national executive council (NEC) is carrying out a review of UNISON branch resources, following a decision of 2011 national delegate conference (NDC).

Every year since the current branch funding scheme was introduced in 2001 the target 23.5% of total annual subscription income has been delivered to branch funding.

As a result, branch reserves increased from £35m in 2002 to £51.2m in 2010, but reserves and resources still vary widely from branch to branch and there are disparities in expenditure per member across branches and service groups.

Half of all UNISON branches get by on the basic 20% funding allocation but the additional allocations to larger branches mean that they are funded disproportionately.

There is a need to make sure there is equity in the allocation of resources so that the union can ensure that all branches can operate effectively in a climate where trade unions are coming under attack.

The aim of the review is to leave the union at branch level in a strong financial position, ensuring resources are targeted to where they are needed to support and defend members.

This consultative paper will contribute to the review which will set out the development of branch resources and which will be presented to NDC in 2013.

This is the opportunity to make sure that the voice of your branch is heard by giving its views on issues including:

- whether branches should be funded according to UNISON'S objectives;
- how to adapt branch resources to meet future challenges faced by the union;
- how to link branch resources and expenditure to the union's wider objectives;
- how the union should address the issue of branch reserves.

Branches should send their responses BRR@unison.co.uk by the end of June. In April and May regional consultation meetings will be held around the country – contact your region for details.

Further consultation with branches will take place in October.

History

The 2011 UNISON NDC carried motion 116 on branch funding:

Conference notes that the current scheme for funding branches was introduced in 2001. Since its introduction the National Executive Council has monitored the scheme and the effects of its operation, particularly in relation to the changing disparities in the reserves held by branches.

Conference therefore calls on the National Executive Council to review the current scheme for funding branches. This review will include consultation with branches, regions, service groups and self-organised groups and report back to National Delegate Conference in 2013.

Following the conference the NEC set up a project group (see Appendix A) to carry out the review. The project group has agreed a timetable, meeting dates and a number of key decisions for the review. These are shown in Appendix B.

Under the current funding arrangements, which began on 1 January 2002, the funding of branches should be achieved by one or more of the following:

- an annual allocation of 23.5% of total annual subscription income;
- a standard 20% percentage entitlement for each branch;
- additional percentage entitlements based on each branch's profile (membership, income, geography, reserves);
- additional funding to meet special needs drawn from a regional pool and managed at regional level;
- special funding to meet the needs of branches with exceptional circumstances to be managed at national level.

Each and every year since the scheme was introduced 23.5% of total annual subscription income has been allocated to branch funding.

The original proposals set out to achieve a scheme that:

- guarantees a fixed proportion of total annual subscription income;
- is a percentage-based scheme with a standard entitlement;
- incorporates additional entitlements where branches qualify for these;
- has a sliding scale for restrictions on entitlements;
- devolves more influence and authority to regions, principally by establishing regional pools;
- encourages participation in the democratic structures of the union;
- over time removes some of the inequalities created by the previously existing formula by shifting the balance between standard and additional entitlements;
- recognises the importance of reserves and dedicated property funds;
- provides assistance for branches with low subscription income and low reserves;
- improves financial management and budgetary control at all levels within the union;
- provides a safety net for those branches with continuing exceptional financial needs for which a formula would find it difficult to make provision.

The project group has used the financial data submitted by branches since 2002 to examine how the current scheme has performed against the original proposals. In this context the analysis will report on regional and service group data.

The organising union

Meeting the organising challenge

Since 2009 UNISON has worked towards building a new organising staffing structure to meet the organising challenge, with the aim of ensuring that staff can focus on supporting branches (see also http://www.unison.org.uk/activists/pages_view.asp?did=7005).

In meeting the organising challenge a framework was agreed around branch development and planning so that:

- branches are assisted to identify their priorities and objectives, to plan accordingly, and to have the resources to achieve them;
- regional support to branches is aligned to the outcome of an assessment process that also informs the region's organising plan and the deployment of staff resources;
- regions are held to account for their progress in achieving NEC objectives through their branches.

In part, the success to date is the result of a realignment of resources behind clear priorities and objectives. Regions have undertaken assessments so that funds could be freed up and resources utilised in employing local and area organiser staff.

The union has now developed objectives and priorities that are agreed annually by NDC. The structures review recommended that branches move towards objective-based budgets and to facilitate this produced a budget template for branches to use. The template is to be reviewed as part of the assessment process

The organising branch

UNISON members face an unprecedented attack on public services. Privatisation, outsourcing and attacks on national bargaining and trade union facilities are an integral part of the government's austerity agenda. Many branches have gone from being single employer to multiple employer branches, most of whom may be small employers with no steward in the workplace, or perhaps no recognition agreement. Also UNISON has changed its national and service group structures by the establishment of the community service group.

It is therefore vital that UNISON is as strong as it can be, if it is going to be effective in defending members and the important services that they provide. To ensure that this

happens UNISON is working towards becoming an organising union. This means that organising must be a priority at every level of the union, especially in the workplace.

The project group agreed it would be helpful for the review to examine the allocation and deployment of resources to branch organisation. It is crucial that this analysis is comprehensive and is an accurate reflection of branch organisation. To this end, your feedback on this issue is important to the review.

The code of good branch practice sets out guidance to help branch officers and members to ensure theirs becomes an organising branch. We have mapped this guidance to each of the four 2011 UNISON objectives. (In some cases the guidance maps to more than one objective.)

The result should be a comprehensive analysis of branch organisation and consequently one which requires resources. 'Resources' in this context will include resources other than just money.

Branch organisation – a standard

1. Meet the recruitment and organising challenge posed by austerity measures, including public spending cuts and increased outsourcing.

Membership

The branch achieves UNISON recognition and membership levels of no less than 50% with its primary employers.

There is an organising plan to expand membership into unorganised employers engaged in delivering relevant public services, and to achieve recognition.

New employees are quickly approached by the UNISON steward.

Branch organisation.

The majority of workplaces, departments and workgroups have a steward, a health & safety representative, and a learning representative; the numbers are increasing and all are recorded on the replacement membership system (RMS).

The branch uses RMS to map the membership and plan campaigns. All stewards know who their members are and can identify non-members.

There is a branch support structure for trained and active UNISON learning representatives.

The branch works to a development and organising plan.

See: http://www.unison.org.uk/activists/doc_view.asp?did=1448

Branch administration

The branch processes membership applications efficiently and maintains accurate membership records.

IT is used for communications, managing RMS and other key functions.

Branch participation

All members participate regardless of sex, race, disability, sexuality, gender identity, religion, age or their working hours and their employer.

There is regular branch attendance at regional council and national conferences, including self-organised groups', young members' and retired members' conferences.

There is proportionality and fair representation among branch office holders and delegations.

Representation and bargaining

The branch deals with disciplinary and grievance cases (other than complex cases) up to and including final employer level.

There is active bargaining machinery with all employers that is used to take forward UNISON members' agenda, not only to respond to employer demands.

All members are consulted on all bargaining issues relating to them.

Conditions of service, policies and procedures are subject to joint review and are broadly better than other similar employers.

All representatives are trained to Stage 1.

2. Protect and secure decent employment, pay and pensions for UNISON members, promoting equality and challenging discrimination.

Representation and bargaining

The branch deals with disciplinary and grievance cases (other than complex cases) up to and including final employer level.

Branch administration

A system of mapping and monitoring equality in participation and service delivery is in place in accordance with UNISON's race equality strategy and wider equality objectives. See Organising around race equality <http://www.unison.org.uk/acrobat/14274.pdf>

3. Develop our Million Voices campaign in support of quality public services, building our political influence and forging alliances with unions and community organisations.

Representation and bargaining

The branch supports a Labour Link section that is actively engaged in representing UNISON policies in Labour Party organisations (not part of branch funding).

Campaigning

The branch maintains dialogue and builds relationships with key decision makers, opinion formers and potential allies:

- at employer level;
- at the relevant political level;
- in the wider community, including user groups and local media.

The branch campaigns for policy and political changes that will benefit members (in accordance with UNISON policy), making use of the general political fund where appropriate.

4. Ensure that the union's information and communications infrastructure and internal management systems are efficient and effective to meet the changing needs of our membership.

Branch management

100% of members are on the branch distribution system.

Quarterly informative and relevant mailings/newsletters are sent to members.

There is a branch structure with regular, effective, participative and well-attended meetings which takes account of geography and the diversity of employers.

There is a quorate branch AGM or significant participation in branch elections

Training

All representatives are trained to Stage 1.

Branch administration

A system of communication with, and support to, its representatives ensures that all parts of the branch work together towards achieving its objectives.

A system of mapping and monitoring equality in participation and service delivery is in place in accordance with UNISON's race equality strategy and wider equality objectives. See Organising around race equality: <http://www.unison.org.uk/acrobat/14274.pdf>

The branch processes membership applications efficiently and maintains accurate membership records.

IT is used for communications, managing RMS and other key functions.

Facts and figures

Extensive research on branch funding, income, expenditure, assets and reserves – in particular comparing 2002 (the start of the new scheme) to 2010 (the most up-to-date information available at the time of this review) – has been completed and presented to the project group (see charts 1 and 2 below).

It should be noted that our profile of branches/service groups has changed over this time through establishment, merger or closure. Therefore some of the comparisons may be distorted and some totals may vary.

However the intention has been to illustrate how the scheme has performed over the nine years of the sample branch data submitted by branches, initially using service groups for comparison. Together these form the basis for some of the conclusions contained in the following section on the need for change.

Chart 1

Branch income, expenditure and reserves data for 2002 and 2010 is reported by service group for those branches open in 2002 to 2010. The totals shown in the excluded chart are the remaining balances for branches at 2002 and 2010 now closed or merged after 31 December 2002 where comparisons would be difficult or misleading.

Chart 2

The reserves data from chart one is further analysed by service group to show the number of branches that have increased or decreased reserves in both absolute and per capita terms.

The need for change

Each and every year since the introduction of the scheme the formula has consistently delivered more income (by way of branch funding) than branch expenditure. The result is that total branch reserves have grown from £35m in 2002 to £51.2m in 2010, an increase of £16.2m in total.

Of the current 985 branches, 823 were open in the period between 2002 to 2010. Of these 625 (76%) increased their reserves from £23.42 per member to £42.87. The remaining 198 (24%), while reducing their reserves from £33.78 to £24 per member, still held balances totalling £6.8m.

While one of the original objectives was to bring about a redistribution of reserves, the evidence is that there are still very significant variations, not only among branches of similar size but across regions and service groups. Similar variations are also evident when looking at expenditure, especially the proportion of income spent on staffing, rent and rates and utility costs.

Historically only those branches with a large membership have been able to save enough money or allocate funds to employ staff, to buy or lease property, or to invest in other resources such as photocopiers, mobile phones, computers and printers that are all essential to branch organisation.

In 2010 50% of branches were funded at the basic rate of 20%. There is clear evidence that branches with more than 2,000 members are funded disproportionately compared to those with fewer than 2,000 members.

The current scheme also acts as a disincentive to small branches to participate in the democracy of the union as the cost of financing attendance is more than the penalties for not attending.

Financial management, investment strategy and the custody and security of funds place an unfair burden on lay activists, particularly the branch treasurer. Indeed, there must be scope to examine whether there are more efficient and effective ways to help branches meet objectives e.g. procurement, opportunity costs.

Reserves are mainly held in bank/building society investment accounts where rates of interest available to branches are very low. In 2010 branch investment income realised only around £52,000 on reserves of £48m (a return of 0.0011%).

The make-up of the scheme, particularly for treasurers, is not readily or easily understood. It complicates financial management and budgetary control. How many activists do understand the formula (especially calculations such as the national standard), the entitlement calculation (especially restrictions), the AFR (the calculation of reserves for funding purposes) and branch statements?

Questions for the review

1. Is the organising branch section a complete and comprehensive representation of branch activity? If not, what should be included and/or amended?
2. Should branches be resourced according to UNISON's objectives?
3. Should all branch expenditure be objective-based?
4. Should there be a move to share resources and costs?
5. Should branches set annual budgets as part of the joint assessment process?
6. Should a fixed amount of annual income each year be allocated to financing branches?
7. How should the union address the issue of utilising branch reserves?
8. Should there be a standardisation of accounting arrangements across all branches?

Aims and objectives for any new scheme

1. It must be flexible and adaptable to meet the future challenges faced by the union.
2. It must guarantee the longer-term financial stability of the union.
3. Branch expenditure and resources must link with the wider objectives of the union.
4. It must be overseen by a lay governance group

Appendix A

Project group members

Mike Hayes	NEC
Josie Bird	NEC
Katie Collins	NEC
Liz Cameron	NEC
Jane Carolan	NEC
Sue Highton	NEC
Diane Kelly	Regional convenor
Clare Williams	Regional convenor

Officers

Bronwyn McKenna	AGS organisation & resource development
Cliff Williams	AGS regional management & governance
Steve Tasker	Director of finance
Sotirios Loizou	Project manager
Serena Hadley	Project team member
Keith Heron	Regional manager
Brian Hicks	Programme & project officer

Appendix B

Key dates

22-23 March 2012	InFocus article April edition
29 March 2012	Meeting of project group
2 April 2012	Consultation paper issued
April-May 2012	First consultation with branches
June 2012	Update to national delegate conference via annual report
October 2012	Further consultation with branches
February 2013	NEC to agree motion and documentation to NDC 2013
March-April 2013	Further consultation with delegates to conference
June 2013	NEC report to Conference

CHART 1

Branch financial data at 31 December 2002 - service group¹²

Service group	No. of branches	Branch Funding	Total Income	Total Expenditure	Surplus Deficit	Accumulated General Fund	Industrial Action Fund Balance	Dedicated Funds	Total Funds
Community	16	£309,901	£391,883	£324,996	£66,887	£231,835	£60,631	£46,645	£339,111
Higher Education	91	£533,662	£626,762	£530,120	£96,642	£1,136,185	£262,040	£131,081	£1,529,306
Health	219	£4,196,914	£5,088,103	£4,273,870	£814,233	£4,681,540	£39,094	£50,914	£4,771,548
Police & Justice	42	£533,978	£650,624	£606,192	£44,432	£405,135	£35,725	£500	£441,360
Local Government	390	£14,664,374	£17,144,864	£16,555,238	£589,626	£9,958,557	£8,757,831	£1,600,847	£20,317,235
Energy	26	£415,512	£489,957	£536,199	-£46,242	£1,164,097	£79,645	£228,981	£1,472,723
WET	39	£437,506	£477,303	£490,448	-£13,145	£749,177	£30,921	£55,247	£835,345
Total	823	£21,091,847	£24,869,496	£23,317,063	£1,552,433	£18,326,526	£9,265,887	£2,114,215	£29,706,628

Branch financial data at 31 December 2010 - service group

Service group	No. of branches	Branch Funding	Total Income	Total Expenditure	Surplus Deficit	Accumulated General Fund	Industrial Action Fund Balance	Dedicated Funds	Total Funds
Community	16	£510,096	£627,322	£639,769	-£12,447	£320,250	£104,958	£40,666	£465,874
Higher Education	91	£913,119	£937,686	£713,870	£223,816	£2,075,580	£365,788	£178,397	£2,619,765
Health	219	£7,151,032	£7,412,602	£6,302,357	£1,110,245	£8,872,644	£146,429	£86,732	£9,105,805
Police & Justice	42	£1,325,849	£1,371,325	£1,178,861	£192,464	£1,150,504	£42,866	£500	£1,193,870
Local Government	390	£20,534,215	£21,952,205	£21,427,571	£524,634	£15,418,306	£10,386,057	£2,072,241	£27,876,604
Energy	26	£604,132	£645,336	£605,783	£39,553	£1,061,839	£76,379	£205,736	£1,343,954
WET	39	£593,144	£623,404	£599,216	£24,188	£968,260	£52,243	£54,911	£1,075,414
Total	823	£31,631,587	£33,569,880	£31,467,427	£2,102,453	£29,867,383	£11,174,720	£2,639,183	£43,681,286

Totals Excluded

Service group

Community
Higher Education
Health
Police & Justice
Local Government
Energy
WET
Total

2002		2010	
No. of branches	Total Funds	No. of branches	Total Funds
		5	£219,054
19	£241,359	12	£352,475
171	£3,022,120	92	£5,447,448
		5	£179,525
79	£1,570,195	32	£1,135,173
6	£234,863	4	£164,057
17	£171,831	5	£100,949
292	£5,240,368	155	£7,598,681

CHART 2			Increased Reserves				Decreased Reserves			
Service group	Total branches	Total members	No. of branches	members	Total funds 2002	Total funds 2010	No. of branches	members	Total funds 2002	Total funds 2010
Community	16	13152	14	9638	£262,601	£437,336	2	3514	£76,510	£28,538
Higher Education	91	28977	76	24606	£1,285,687	£2,441,003	15	4371	£243,619	£178,762
Health	219	294732	174	236813	£3,387,640	£8,133,269	45	57919	£1,383,908	£972,536
Police & Justice	42	41387	37	37598	£375,881	£1,142,425	5	3789	£65,479	£51,445
Local Government	390	724723	288	531893	£13,979,845	£23,222,189	102	192830	£6,337,390	£4,654,415
Energy	26	25088	11	9402	£418,234	£744,510	15	15686	£1,054,489	£599,444
WET	39	15343	25	10670	£444,286	£774,888	14	4673	£391,059	£300,526
Total	823	1,143,402	625	860,620	£20,154,174	£36,895,620	198	282782	£9,552,454	£6,785,666
Change in funds						£16,741,446				-£2,766,788

Overall per capita					Increased Reserves per capita				Decreased Reserves			
Service group	Total branches	Total members	2002	2010	No. of branches	members	2002	2010	No. of branches	members	2002	2010
Community	16	13152	£25.78	£35.42	14	9638	£27.25	£45.38	2	3514	£21.77	£8.12
Higher Education	91	28977	£52.78	£90.41	76	24606	£52.25	£99.20	15	4371	£55.74	£40.90
Health	219	294732	£16.19	£30.90	174	236813	£14.31	£34.34	45	57919	£23.89	£16.79
Police & Justice	42	41387	£10.66	£28.85	37	37598	£10.00	£30.39	5	3789	£17.28	£13.58
Local Government	390	724723	£28.03	£38.47	288	531893	£26.28	£43.66	102	192830	£32.87	£24.14
Energy	26	25088	£58.70	£53.57	11	9402	£44.48	£79.19	15	15686	£67.22	£38.22
WET	39	15343	£54.44	£70.09	25	10670	£41.64	£72.62	14	4673	£83.68	£64.31
Total	823	1,143,402	£25.98	£38.20	625	860,620	£23.42	£42.87	198	282,782	£33.78	£24.00

Branch resources review

General

This consultation paper updates branches with the review to date, and explains the context of its strategic direction and the influences behind the project group's original proposals. These are provided as they were consistently requested during the first round of consultation.

The paper also summarises the project group's reasons for proposals now being advanced into the next round of consultation with branches.

For information, at the end of this report are the first consultation paper (including details of the project group members and consultations held) and a summary of the first round of consultations.

In developing their proposals the group were fully aware of the tremendous demands now being placed on branches, particularly our activists, by the current austerity measures. Therefore many of the proposals are specifically targeted at reducing the burden on branches and activists.

Strategic overview

This review forms part of a wider financial strategy to:

- further develop the RMS (replacement membership system) to provide up-to-date information about subscription income and branch funding;
- develop an online branch accounting system (OLBA) for branches to record, report and manage their transactions and finances, including budgeting;
- provide a handbook on branch finances detailing best practice, financial policies, processes and procedures;
- set out schemes for expenses, honoraria, branch hardship funds, branch local levies, branch employed staff and branch property;
- modernise our activist training and education programmes, especially for branch treasurers.

These developments will significantly improve the day-to-day operations, management and reporting of finances, especially at branch level. Moreover, the objective is for all branches to use OLBA, so a move to budget-based funding becomes an attainable goal. This is why the working group took forward budgeting proposals into the first round of consultation.

The review of consultations

The first consultation paper considered internal and external influences, as well as key financial data about the funding scheme in operation. Internally, it was acknowledged that the current scheme had been in operation for some 10 years and that there was scope to deploy resources more effectively and efficiently. However, by far the most important internal influence was the details we hold on branch income, expenditure, assets and liabilities.

External influences included internal control concerns raised by our external auditors, particularly about the custody and security of the union's assets, as well as the impact of the

current government's austerity measures on our future subscription income, branch funding and facility time.

The presentation given during the first round of consultation reflected on all these influences. The approach adopted was to examine how resources were allocated and deployed to branch organisation (as set out in the chapter "branch organisation") and to promote debate on the financial and organisational reasons for change.

Without doubt the major concern for branches was one of trust, especially when consultations discussed the motivation behind the financial reasons for change and how budgeting, branch funding and branch reserves could be affected.

The working group made it clear that the review is not intended to claw back reserves to national funds nor to reduce the proportion of subscriptions allocated to branches. The review is about how resources available to branches are distributed and used, not just about money. For the most part branches acknowledged and supported the organisational reasons for change.

The project group agreed these four principles that would be the foundations supporting any new scheme:

- it must be flexible and adaptable to meet the future challenges faced by the union;
- it must guarantee the longer-term financial stability of the union;
- it must link branch expenditure and resources with the wider objectives of the union;
- it must be overseen by a lay governance group.

Following consultation, three more core principles have been added:

- it must enable the branch to campaign, organise, represent, service and negotiate on behalf of all members;
- it must allow all members equal access to services and facilities;
- it must manage and minimise financial and operational risk exposure.

Conclusion and proposals for 2013 NDC.

The working party believes that the consultations have given it a clear steer on the direction for this review. A number of proposals are to be brought to 2013 conference, while others will be brought to a future conference after further work.

The project group is clearly of the view that it will take the following proposals to the 2013 national delegate conference.

- 1. Online branch accounting system (OLBA)**
- 2. Budgeting**
- 3. Banking**
- 4. Investment strategy**
- 5. Property**
- 6. Branch-employed staff**
- 7. Sharing resources**

8. Conference/democracy

9. Procurement

There was a general acceptance that the current method of funding branches needs to change and that a budget-based approach has merit but requires further work and development. Revised proposals on funding will be considered by a future NDC following further consultation. Therefore the current system will remain in place.

Each of the proposals is now reviewed.

1. Online branch accounting system (OLBA)

In 2009 we began the process of piloting an online accounting system for branches (OLBA). Early responses were so positive that we believe it should be used by all branches. At the time of this report there are 250 branches (25%) using the live system. In response to a growing demand from branches a budgeting module was added in 2012.

The use of OLBA in branches:

- a. improves financial management;
- b. improves exchange of data between HO and branches;
- c. eliminates the need for branches to make a separate annual financial return each year;
- d. improves custody and security of assets;
- e. reduces risk;
- f. helps identify reserves that can be invested.

As advised by Mike Hayes, chair of the finance and resource management committee, at the 2012 national delegate conference, the national executive council (NEC) policy is to roll out OLBA to all branches during 2013.

This will achieve the business vision for branches to manage their finances by an annual process that includes:

- setting budgets through joint branch assessments;
- recording, analysing and reconciling financial transactions;
- providing monthly/quarterly management accounts for branch committees and regional managers;
- periodic reviews with regional managers; and
- providing an annual financial report to members and to the union to consolidate into national accounts.

As part of the roll-out strategy we have selected two regions (North West and Northern) where all branches are migrating to OLBA during 2012. This work is helping to inform the project team about how to obtain its objective, especially managing the help and support that branches may require. In addition to help with our training and support strategy, a new-web based e-learning environment was piloted at this year's national delegate conference. In advance of NDC branches using OLBA were asked to let us share their OLBA experiences with other branches. These are just some of the many responses received.

"OLBA has made my job as the branch treasurer of a large county branch significantly easier. Web-based, it means I now no longer need a dedicated laptop to run accounting

software and no software licensing or support costs. Easy to use and intuitive, I've been very impressed with OLBA."

"My first thoughts when I heard about OLBA was suspicion – is this some kind of external control? The simple answer, having attend the recent training sessions at Leeds, is 'No'. My interpretation is that it is just a simple process of introducing a universal book-keeping service which, providing you can add two numbers together, you should find it easy to understand and use. Having been introduced to OLBA I'm convinced that it is a tool which will assist me in my role as treasurer and if all goes as planned will greatly reduce time and effort needed at the end of the financial year. My final say is: 'Give it a go. OLBA for me is the way forward.'"

"OLBA does exactly what I've been trying to get my own system to do for years."

"It's unusual in my experience to see a piece of software that gets things right at first introduction, but OLBA is superb. It's very intuitive. You don't need to be an accountant to use and it even reminds you about what tasks need to be done. I've been very impressed."

The first live e-learning training was held in Manchester on 22-23 August 2012. Seventeen branches attended and responses were very positive. Further information about the roll-out of OLBA will be issued to branches in the coming months.

2. Budgeting

Budgeting is now part of any organisation's mechanism for managing resources, whether this is to control spending, to set goals, to control the direction of the organisation or to run effectively. UNISON nationally and regionally has undertaken budgeting for many years. This is not a requirement at branch level and so some branches do not budget. This came as a surprise at some presentations when budgets were debated. Thus it is planned to introduce budgeting for all branches from 2014 and for this to be agreed as part the joint branch assessment process. These changes are essential if a branch requires financial assistance from the regional pool or other sources, such as the general fighting fund.

3. Banking

In today's environment it is commonplace for organisations to undertake their banking with one financial organisation in order to obtain a top-class service through their importance as a customer to that financial institution. Such an arrangement allows for the dovetailing of systems and improved security, access and rate of return.

Unity Trust Bank (UTB) is a specialist bank for trade unions delivering socially responsible banking services with an ethical approach to investments. It is 75% owned by trade unions and UNISON is a significant shareholder. Our general secretary is the current president of the bank. UNISON believes that all levels of the union, including branches, should hold all accounts with Unity Trust Bank. It is noted that this will require some branches to move their accounts. Many of those accounts not with Unity Trust are with high street banks that have been and continue to be in the headlines for the wrong reasons.

UNISON continually reviews the services provided by UTB. For example, following road shows in 2011 we negotiated a new pre-paid card facility for branches as many of our treasurers were unhappy with the facility provided at the time. We are currently in

negotiations with UTB around automating bank reconciliations, as well as a seamless interface between their online banking systems and our own OLBA. Given the objective of all branches using OLBA, these facilities and the consequent benefit and time savings for treasurers would not be available to branches that do not use UTB.

Branches now hold around £50m in “cash” reserves. Managing and minimising risk and the custody and security of branch funds will be significantly improved given our special relations with UTB. Our external auditors will also welcome the transition to UTB and this will undoubtedly help with the completion of branch returns and their year-end audit.

We continue to experience difficulties with high street banks about changing signatories or securing funds, especially when these cannot be obtained. To this end, using UTB will help all levels of the union, especially given the stringent due diligence rules and regulations that now apply.

For these reasons we are taking forward from consultation that branches must hold all accounts with Unity Trust Bank from 1 January 2014.

4. Investment strategy

There was an acceptance during consultations that continuing with the status quo was no longer advisable given the significant material loss in investment income to branches. Consultation also clearly indicated there was not universal support for a mandatory scheme.

However, after carefully considering the situation we hope that many branches will **voluntarily** take advantage of the branch investment scheme we are currently negotiating with Unity Trust Bank (UTB). This will operate between UTB and a participating branch with no regional or central involvement or intervention. In negotiating this strategy we have carefully considered what we deem to be the most important criteria underpinning any scheme, ie security, accessibility and rate of return (interest).

We believe that UTB is best placed to deliver on these criteria and that the proposed scheme reflects branches’ consultation observations. Full details will be released to branches as and when discussions have been concluded.

5. Property

In recognition of the objective of ensuring that all members have equal access to services and facilities, the NEC scheme on property will be amended to include:

- any future freehold or leasehold must ensure resource sharing options across the organisation are fully examined.

The group will also look to evaluate all current branch properties in relation to resource-sharing options. This evaluation will include costs and the group will explore options to assist branches.

In addition, the group is undertaking a full review of all IT services within branch properties to establish whether improvements can be made and/or costs saved through local, regional or national initiatives or contracts.

6. Branch-employed staff

The employment of staff is understandably the highest item of branch expenditure. In some instances the cost is creating financial difficulties for branches. Consultation clearly indicated that branches want further help, particularly with HR and tax issues. These points will be the subject of further work.

The branch assessment process should be used to review staffing arrangements (including the option of sharing resources) so that any changes can be planned and thus budgeted. This will ensure branch resources are directed to where they are needed. Any proposed changes must be considered by the region.

7. Sharing resources

The working group is firmly of the view that, to achieve most if not all core foundation principles, resource-sharing initiatives will be pivotal. All branches are encouraged to consider joint branch initiatives which promote resource sharing and/or equality of services to members and activists. Branches are reminded that applications can be made for financial assistance from the regional pool, additional branch funding or the general fighting fund.

8. Conference/democracy

A recurring theme throughout the consultation was that a number of branches do not attend delegate conferences because of the costs. This means that their members are not represented at conference. Rule D1.3 refers to the scheme as set down by the NEC for conference attendance. It is intended to amend this scheme to allow branches which believe they cannot afford to send a delegate to a conference to be grouped for attendance purposes.

9. Procurement

During consultation there was an enthusiastic response to the option of being able to extend UNISON purchasing power to branches. A scheme will be circulated to branches which extends UNISON current procurement arrangements to branches

Next Steps following Conference 2013

Following consultations and the 2013 national delegate conference, the project group will continue its review of branch resources. At this time the following topics will be included in the review, although these may change following consultation:

- determining a minimum level of support all members can expect from the union and the resources required to provide this;
- budgeting – introducing budget-based funding if the research and consultation supports this;
- IT –reviewing IT infrastructure for branches;
- investigating integrated banking arrangements;
- developing the scope for sharing resources.

All the above topics will be the subject of further consultation with branches and other interested parties within the union.

Branch Resources Review

Introduction

National Delegate Conference agreed motion M116 on Branch Funding as follows:

“Conference notes that the current scheme for funding branches was introduced in 2001. Since its introduction the National Executive Council has monitored the scheme and the effects of its operation, particularly in relation to the changing disparities in the reserves held by branches.

Conference therefore calls on the National Executive Council to review the current scheme for funding branches.

UNISON

Volume 1, Issue 1

December 2011

Inside this issue:

<i>Introduction</i>	<i>1</i>
<i>Establishment</i>	<i>1</i>
<i>Consultation</i>	<i>2</i>
<i>Contact and Communication</i>	<i>2</i>

Establishment of a Project Group

In order to progress the review the NEC has charged the Finance and Resource Management Committee (FRMC) with managing this review on their behalf. The FRMC met at the end of September and agreed to establish a Project Group. The group is:

Mike Hayes NEC, Chair of FRMC
 Josie Bird NEC, Vice Chair FRMC
 Liz Cameron NEC and member of FRMC
 Katie Collins NEC and member of FRMC
 Jane Carolan NEC and member Policy, Development and Campaign Committee
 Sue Highton NEC and member of Development and Organisation Committee

Diane Kelly Regional Convenor North West Region
 Clare Williams Regional Convenor Northern Region

Establishment of a Project Group cont...

The group also includes Bronwyn McKenna, Assistant General Secretary Organisation and Resource Management and Cliff Williams Assistant General Secretary Regional Governance, along with staff from Finance, Steve Tasker, Sotirios Loizou and Serena Hadley.

Due to concentration on the pension ballot and day of action the inaugural meeting of the group took place on 9th December 2011. The group though hit the ground running, particularly as there had been some preliminary work on the historical position of branch funding undertaken by staff.

As a result further information is being prepared for the project group.

Consultation and Timetable

The Group agreed an outline timetable (see below) and also to consult with Branches as widely as possible. They agreed that as part of the consultation they would establish a regular newsletter.

This is the first of the regular communication to Branches. This communication is sent to the email address held on the RMS but it is important that it is shared among Branch Officers particularly Branch Chair, Secretary and Treasurer and the subject of discussion at Branch Committee meetings. The outline timetable agreed:

December 2011 Initial communication with Branches

January 2012 Further meeting of Project Group

April/May 2012 First consultation the Branches

June 2012 Update Conference via the Annual Report

October 2012 Further consultation with Branches

February 2013 NEC to agree motion and documentation to Conference

March/April 2013 Further consultation with Delegates to Conference

June 2013 Conference agrees motion and report

Contact and Communication

A further newsletter will follow the meeting in January 2012

Have a Merry Christmas

Steve Tasker

Director of Finance

s.tasker@unison.co.uk

Branch Resources Review

Issue 2 February 2012

Project Group

Mike Hayes
Josie Bird
Katie Collins
Liz Cameron
Jane Carolan
Sue Highton
Diane Kelly
Clare Williams

Officers

Bronwyn McKenna
Cliff Williams
Steve Tasker
Sotirios Loizou
Serena Hadley
Keith Heron
Brian Hicks



***Branch Resources Review
(Not just about Money)***

Significant Progress - Working Group agrees content of consultative paper

This newsletter updates colleagues following meetings of the Branch Resources Review Working Party on 19th January and 21st February 2012.

The meeting of the 19th January agreed for a small working group to further review Branch Income and Expenditure, the historical position of branch funding undertaken by staff and to come forward with proposals to be included in a consultative document to be issued to branches. Their work included a review of the Code of Good Branch Practice, in particular Branch Organisation and mapping these to the UNISON's Objectives.

Members of the Working Group met with Regional Convenors and deputies on 26th January 2012 at Wortley Hall in Sheffield at which we discussed with them our strategy for consultation and our first consultative document. Their views were fed back to the working party and where appropriate incorporated.

We are pleased to report that the meeting of 21st February agreed the content of the first consultative document. This will include references to:

- Branch Organisation
- Facts and Figures
- Need for Change
- Suggestions for a new scheme

What happens next.....

The plan is now to circulate the consultation document and the above in early March 2012.

Regions will be asked to co-ordinate meetings where members of the Branch Resources Review working group will be present to give their thoughts, ideas and suggestions and get your feedback.

To support the first consultative document the Working Group also agreed to publish key financial information that may be useful to colleagues in responding to us about the consultation paper.

The purpose of the first consultative document is for branches to comment and feedback to us their views. The Working Party intend to issue proposals for a new scheme after Conference 2012. This will be the subject of a full consultation with branches commencing October 2012.

Communication & Timetable

The next newsletter will be out following the March Working Party meeting.

29th March further meeting of Project Group

April/May first consultation with Branches

June 2012 Update to Conference via the Annual report

October 2012 Further consultation with Branches

February 2013 NEC to agree motion and documentation to Conference

March/April 2013 Further consultation with Delegates to Conference

June 2013 Conference agrees motion and report

If you have any queries please send an email to our Branch Resources Review email address:

BRR@unison.co.uk

Branch Resources Review

Project Group

Mike Hayes
Josie Bird
Katie Collins
Liz Cameron
Jane Carolan
Sue Highton
Diane Kelly
Clare Williams

Officers

Bronwyn McKenna
Cliff Williams
Steve Tasker
Sotirios Loizou
Serena Hadley
Keith Heron
Brian Hicks



**Branch Resources
Review
(Not just about
money)**

Regional Consultations update

This newsletter updates colleagues following Regional consultations and a meeting of Branch Resources Review Working Party on 13th June 2012.

All regions have now been visited and consultations with branches undertaken. The working group were encouraged that the presentation was received positively and we captured many questions and answers from each region. Our thanks for all those that participated. We will be consolidating these and reviewing the issues and action to be taken.

For those branches which were unable to make the consultations there will be an opportunity to hear the presentation during National Delegate Conference in Bournemouth.

We will be holding fringes on Wednesday 20th and Thursday 21st in the Purbeck Hall starting at 5.30pm on each day.

Also we have a stand in the Exhibition Area where members of the project group will be available to discuss the **Branch Resources Review** and answer any queries delegates may have following regional consultations. In addition we are also demonstrating the **On-line Branch Accounting system (OLBA)** and our new E-Learning software supporting OLBA.

What happens next.....

The consultation continues until the end of June and Branches can respond to the Branch Resources Review email address: BRR@unison.co.uk

The working group has reviewed responses gathered during the consultation process together with feedback to the dedicated email address. These will be summarised and issued to branches together with additional financial information that was requested by many branches at consultations.

The project group next meet on 28th June 2012.

A report will be presented to National Delegate Conference 2013.

Communication & Timetable

June 2012 Update to Conference

June, July and August 2012 Further meetings of group post Conference to plan future consultation

October 2012 Further consultation with Branches

February 2013 NEC to agree report to Conference

March/April 2013 Further consultation with Delegates to Conference

June 2013 report to Conference

Contacts:

Steve Tasker	0207 121 5376
Sotirios Loizou	0207 121 5454
Serena Hadley	0207 121 5279

Issue 4 August 2012

Branch Resources Review

Project Group

Mike Hayes
Josie Bird
Katie Collins
Liz Cameron
Jane Carolan
Sue Highton
Diane Kelly
Clare Williams

Officers

Bronwyn McKenna
Cliff Williams
Steve Tasker
Sotirios Loizou
Serena Hadley
Keith Heron
Brian Hicks



***Branch Resources
Review
(Not just about
money)***

Regional Consultations update

This newsletter updates colleagues following Regional consultations and the latest meeting of the Branch Resources Review Working Party held on 27th July 2012

All comments and feedback from the first round of consultations plus the fringes held at National Delegate Conference 2012 have been consolidated and attached is a synopsis of the key areas arising from those.

The working group reviewed the feedback from consultations at their meeting on 27th July and have identified the following as key issues for the next round of consultations. The intention of the next round of consultations will be to inform proposals to the 2013 National Delegate Conference

Key issues:

Budgeting
Banking
Investment strategy
Property
Branch Employed staff
Procurement
OLBA
Sharing Resources
Conferences/Democracy

What happens next.....

Consultations in regions will commence in October 2012 and a further consultation paper will be issued for discussion and comment. Regions will be contacting branches with dates and venue.

Should you have any questions please contact them direct. Again, we would encourage as many branches as possible to attend especially as there will be more detail on proposals in the next consultative document.

We look forward to meeting you in your region in the coming months.

Communication & Timetable

October—November 2012 further consultation with branches
 February 2013 NEC to agree report to Conference
 June 2013 report to Conference

Contacts:

Steve Tasker	0207 121 5376
Sotirios Loizou	0207 121 5454
Serena Hadley	0207 121 5279

Branch Resources Review

Project Group

Mike Hayes
Josie Bird
Liz Cameron
Jane Carolan
Sue Highton
Diane Kelly
Clare Williams

Officers

Bronwyn McKenna
Cliff Williams
Steve Tasker
Sotirios Loizou
Serena Hadley
Keith Heron
Brian Hicks



**Branch Resources
Review
(Not just about
money)**

Regional Consultations conclusions

This newsletter updates colleagues following the second round of consultations with branches , regions, service groups, self-organised groups and the latest meeting of the Branch Resources Review Project group held on 23rd January 2013.

The project group were encouraged that the direction of travel being advanced through consultation was largely welcomed. As promised we have reflected on all contributions including the responses to the dedicated email address. This has helped focus and enhance the proposals designed to improve the resourcing of branches .

In addition it was very clear from consultation that more work and research needed to be carried out before any changes to the current scheme for funding branches is considered by Conference.

At their meeting on 23rd January 2013 the project group agreed to 9 key proposals as follows;

Sharing Resources
Property
Branch Employed staff
Procurement
Conferences/Democracy
OLBA
Budgeting
Banking
Investment strategy

As instructed by Conference the NEC will be submitting a report to the 2013 NDC on the review to date. This will be issued to branches with Conference papers.

For your information some of the proposals will be integrated into our current financial literature and others will be the subject of rule changes to NDC 2013. In addition it will be recommended to the NEC that a motion is submitted to the NDC 2013 to endorse the aforementioned report and to instruct the NEC to continue their work reviewing the resourcing of branches .

Communication & Timetable

February 2013— motion and rules changes agreed
 April 2013 NEC to agree report to Conference
 June 2013 report to Conference
 Fringe at NDC 2013

Contacts:

Steve Tasker	0207 121 5376
Sotirios Loizou	0207 121 5454
Serena Hadley	0207 121 5279

Branch Resources Review

Project Group

Mike Hayes
Josie Bird
Liz Cameron
Jane Carolan
Sue Highton
Diane Kelly
Clare Williams

Officers

Bronwyn McKenna
Cliff Williams
Steve Tasker
Sotirios Loizou
Serena Hadley
Keith Heron
Brian Hicks



**Branch Resources
Review
(Not just about
money)**

Outline of Proposals

The January newsletter updated colleagues on the progress of the review and the 9 key proposals the project group identified where general consensus appears to have been reached from the extensive consultation that has been undertaken. As a reminder those 9 key proposals are;

Sharing Resources
Property
Branch Employed staff
Procurement
Conferences/Democracy
OLBA
Budgeting
Banking
Investment strategy

A report is being finalised to go to Conference delegates. Ahead of that the NEC has proposed 4 rule changes to assist in implementing some of those key proposals and also a motion endorsing the report and looking for conference support in continuing the review into other areas of resourcing branches where consensus has yet to be reached, particularly on how to fund Branches.

In advance of the report outline details of the 9 key proposals are attached to this newsletter to start to assist Branches in the understanding of the direction of travel to date.

The grid attached to the newsletter gives outline detail of the proposals, the issues that arose from the consultation the strategy i.e. Whether a rule change is necessary or not and a summary that will be contained in the report.

The report will be available to Branch delegates as part of conference despatch and Branches shortly.

A fringe and stand/drop in centre is planned for conference which will see members of the project team available to explain the proposals and plans going forward.

Communication & Timetable

February 2013 Motion and Rule Change submitted

May 2013 Report despatched as part of conference documentation

June 2013 Fringe and Drop in Centre at NDC 2013

Contacts:

Steve Tasker	s.tasker@unison.co.uk	0207 121 5376
Sotirios Loizou	s.loizou@unison.co.uk	0207 121 5454
Serena Hadley	s.hadley@unison.co.uk	0207 121 5279

Branch Resources Review

BRANCH RESOURCES REVIEW HISTORY

This is the final newsletter from the Branch Resources Review Group before members have the opportunity to support the proposed strategy to improve and modernise branch organisation to meet the organising challenge.



***Branch Resources Review
(Not just about money)***

This strategy started with the inaugural meeting of the working party on 16th August 2011 following your support for Motion 116 at the 2011 National Delegate Conference. The group has published two consultation documents and regularly kept members up to date through six newsletters published between December 2011 and March 2013 (all of these documents are attached in the email as BRR HISTORY).

The group undertook two full rounds of consultation in each region; the first round between April and May 2012 and the second between October and November 2012. The group's final report is attached as BRR NEC Report which sets out the history, need for change, what is being planned and the implications and benefits for each of the nine proposals.

In the lead up to conference we have included an article in In-focus (reproduced below) as well as producing seven factsheets attached in the email as BRR FACTSHEETS and reviews from OLBA users (attached separately as OLBA reviews)

This strategy has ensured that members have been kept up to date with the progress of the review, had the opportunity to comment and make recommendations and been provided with information supporting the proposals detailed in the NEC report. It is however important that this information is also shared with those delegates who will be attending National Delegate Conference 2013 to ensure their support for the conference proposals.

On Tuesday 18th June 2013 at 5.30pm we will be holding a fringe meeting in the Main Hall. This will be an opportunity for delegates to receive a presentation about the proposals and the wider review and then to ask any questions or issues they may have about the review and the proposals

Finally colleagues from the group and Unity Trust Bank will have stands alongside each other in the Exhibition Area at Conference should delegates have outstanding questions or issues to raise after reading the supporting documentation and/or after the fringe meeting

The Branch Resources Review Group wishes to thank everyone who has attended the road shows, taken time to comment on the proposals and more generally participated in the consultation. Without your support during the last two years the Review Group could not have completed its work and it is looking forward to receiving that continued support at Conference.

UNISON IN FOCUS ARTICLE

Branch resources

Delegates to national delegate conference will be considering national executive proposals to modernise branch finances and improve support for branches.

The national executive council is looking forward to a full and informed debate at conference on its proposals for branch resources which, it believes, will bring the union's finances into the 21st century.

Change is needed, the NEC believes, to meet the challenges posed to the union by the present government's austerity policies – and to comply with demands from Her Majesty's Revenue and Customs (HMRC) and to meet concerns raised by the union's external auditors.

The NEC is proposing rule changes which would mean that:

- all branches would set a budget and use the union's web-based Online Branch Accounting (OLBA) system;
- all branches would have a current account with Unity Trust Bank; and
- branches with under 501 members could, if they wish, be grouped to improve their representation at national delegate conference (NDC).

All the proposals arise from the consultation process, agreed at NDC 2011, which has taken place over the last two years.

The "NEC Branch Resources Review", which sets out in detail both the proposals and the thinking behind them, was circulated to all activists in March and can be viewed on the union's website (See below).

The union has also published "Branch Finances - Your Questions Answered" responding to key questions raised about the NEC report's proposals on budgeting, banking, investments, OLBA, sharing resources and conference and democracy. These are on the union's website (see below) and will be available to delegates at conference.

Delegates are invited to a fringe meeting (see below) where the proposals and the wider review will be presented. From 2pm on Tuesday 18th June there will be a stand in the exhibition hall where members of the project group will be happy to answer questions about the proposals.

In supporting the proposals, UNISON general secretary Dave Prentis said; “UNISON and our members face unprecedented attacks from the Con-Dem government so it is only right and proper that we review all resources available to the union.

The branch resources review plays a critical part in that process. It ensures that we have a strategic approach to our operations that will drive the union forward in a cohesive way and enable us to tackle this government head on.”

Mike Hayes, chair of UNISON finance and resource management committee, said: “Conference called for this review and wholly supported the NEC proposals because it recognised that a lot has changed in branches, certainly since UNISON was formed back in 1993 and since the last review took place in 2001.

The pressure on activists has become so extreme that we need to refocus our strategic efforts.

The three key proposals in the review, which will be put to conference as rule changes, seek to make managing branch finances easier, ensure that branches utilise resources to best effect, and meet the organising challenge which the union has set itself.

We need to ask ourselves: are the protocols that we use fit for purpose now and will they be in the future?

The overall aim is to secure the financial stability of the union and these proposals fit into the wider organisational and financial strategy of the union.”

Branch Resources Fringe Meeting

Tuesday 18th June 2013

5.15pm

Main Conference Hall

All Delegates welcome

Visit our Branch Resources Review/OLBA Stand in the Exhibition Hall where we will have information on the 9 proposals and colleagues will be available to discuss issues with you.

Find us next to Unity Trust Bank

Tuesday 18th to Thursday 20th June 2013

On the website at www.unison.org.uk

Read:

Factsheet 1 Overview

Factsheet 2 Sharing Resources

Factsheet 3 Conference & Democracy

Factsheet 4 OLBA

Factsheet 5 Budgeting

Factsheet 6 Banking

Factsheet 7 Investments

Branch Finances

Your Questions Answered



Factsheet 1: Overview

This review did not come about by accident. A number of factors preceded the call for a review and the subsequent approval by national delegate conference 2011. These were:

- The financial training, help and support offered to branches, particularly for treasurers, needed modernising.
- Growing disquiet over the branch funding formula was reflected in motions to successive conferences.
- Outsourcing has led to an increasingly fragmented workforce and significant changes to and demands on branch organisation.
- HMRC demanded that UNISON must ensure that we meet our statutory obligations for compliance and disclosure.
- Our external auditors expect an organisation of our size to have multiple layers of financial control and to significantly improve our operational efficiency and organisational management.
- The Tory-led government's austerity agenda has seen many branches face financial challenges arising from a loss of membership.

Since the review started in 2011 there have been two rounds of consultation and regular communication via newsletters, culminating in the NEC report to NDC 2013. The proposals developed for consideration at NDC were reached through a consensus view following consultation.

Other factsheets in this series:

Sharing resources, Conference and democracy, OLBA, Budgeting, Banking, Investments.

Branch Finances

Your Questions Answered



Factsheet 2: Sharing resources

Why do branches need to share resources?

UNISON faces tough times. Meeting the organising challenge, shrinking income, hostile employers and the Con-Dem government are amongst many factors that mean branches are under incredible pressure. It is vital therefore that we review all our resources and use them to best effect. Sharing resources is key to that process.

procurement, but also includes a list of suppliers approved by UNISON. It is important that suppliers not only deliver value for money, but ensure we utilise an ethically sourced and socially responsible supply chain.

Our branch office is provided by the employer so how can we share?

The union strives to achieve the best possible facilities arrangements and a branch office provided by an employer is a good example of this. However, the branch resources review is about more than just office space. Branches should consider whether, for example, print facilities, administrative functions or staff could become shared resources.

Other factsheets in this series:

Conference and Democracy, OLBA, Budgeting, Banking, Investments

My branch has an initiative around sharing resources, but there are start-up costs. Can head office help?

Yes. To help branches actively look at cross-branch working the NEC has set up a fund of £250,000 for branches to bid against in order to establish shared resources. This fund is over and above the current branch funding formula.

My branch income is decreasing and we can't afford the current level of branch-employed staff. What can we do?

This is an ideal opportunity to consider whether this resource can be shared with another branch.

Wouldn't it be sensible for UNISON to use its buying power to secure a better scheme for branch procurement?

Absolutely. We have published a procurement scheme which branches can use on a voluntary basis. The scheme not only covers the dos and don'ts of

Branch Finances

Your Questions Answered



Factsheet 3: Conference and democracy

Why do we need to enhance the current arrangements?

Around 200 branches (20%) do not attend NDC. This is primarily because it is cheaper to take the financial penalty through the branch funding formula than to pay to attend NDC. The purpose of the enhancement is to assist branches in maximising participation in our democratic structures.

What is the proposal?

Branches with under 501 members can be grouped for the purposes of representation. This is because our records show branches at or below this level are typically those that do not attend NDC.

Will this enhancement be compulsory?

No. You would still be able to attend NDC as an individual branch – which the union very much encourages.

How would branches group together?

This will be primarily for branches to decide. However if required, the region could facilitate arrangements. If the proposal is carried, the union will issue further guidance on grouping, including election of delegate(s), submission of motions, mandating and finances.

Could grouping be used for other conferences?

Not at the moment. The proposal is to pilot enhancement at NDC in order to test our systems, but the intention is to roll this out to other UNISON conferences.

Will the scheme of representation still apply?

Yes, the scheme will continue to apply. The enhancement is not intended to change the scheme.

Other factsheets in this series:

Sharing Resources, OLBA, Budgeting, Banking, Investments

Branch Finances

Your Questions Answered



Factsheet 4: Online Branch Accounting (OLBA)

Why do we need to change?

A modern web-based system that enables training and support to be tailored to the needs of each branch is long overdue. Our external auditors also require a union of our size to have standardised and integrated accounting arrangements in place. OLBA meets that requirement.

Does OLBA make life easier for treasurers?

Yes. It is a tool that UNISON has devised to help the branch treasurer to keep their branch's accounting records in an easy way – even if you have no background in finance. OLBA takes the accountancy out of the accounting and we back up your records each day. You enter details of your branch's payments and receipts and OLBA updates your accounts. You can then run a variety of automated reports for the branch committee or budget holders. Finally at the year end OLBA automatically produces your accounts for the branch AGM and the annual financial return for head office.

What training and support is available?

A new team has been established to deliver a national training programme and to support branches following training. We have developed two training modules – 'How to use OLBA' and 'The role of the treasurer in an organising branch'. Training is tailored to meet the individual needs of treasurers whether that is face to face or distance learning using our recently developed e-learning environment.

What equipment do I need?

OLBA is web based so you need a computer with an internet connection. OLBA runs on both Windows PCs and Apple Macs and all the usual web browsers including Internet Explorer, Safari, Firefox and Google Chrome.

What about future developments?

As this is our own system, we can make developments as required by our branches. For example, at present integrated bank reconciliations and payment of expenses by BACS are two developments in progress.

What is the cost to my branch?

OLBA is free of charge. Head office meets all service level agreements and development costs. In fact, branches will save money if they currently pay for other accounting systems e.g. QuickBooks or Sage.

Who in the branch can access OLBA?

Branches determine who has read or write access to their records.

Have equalities assessments been carried out?

OLBA has been developed and tested to remove all barriers that may prevent people with visual, hearing, mobility or cognitive impairments from using it.

Are records stored in OLBA secure?

Yes. We have carried out extensive security testing.

Other factsheets in this series:

Sharing Resources, Conference and Democracy, Budgeting, banking, Investments

Branch Finances

Your Questions Answered



Factsheet 5: Budgeting

Why does my branch need to budget?

It's a discipline that all organisations should undertake as it assists in:

- converting organisational goals and conference priorities into financial plans;
- providing a structure and framework to ensure branch committees can discuss and agree expenditure levels and priorities from available income;
- helping address fluctuations in income, particularly when income decreases;
- allowing the branch committee to monitor financial activity during the year against the plan which gives greater control over the union's assets

When should we set a budget?

UNISON's and branches' financial year runs from 1 January to 31 December. Therefore it is good practice that the budgeting process starts around October of the preceding financial year.

What if my branch doesn't know how to prepare a budget?

Head office will pre-populate the OLBA budget module with a ready-made budget based on actual expenditure from your annual financial return and branch funding. Branches should review and amend this information as part of the joint branch assessment process and throughout the year via the branch committee.

How can we budget without up-to-date income and branch funding data?

Historically, branches were funded on estimated income and their final branch funding outturn some six months after the year end. Consultation highlighted this would be a significant barrier to budgeting. In order to help set, manage and monitor budgets the online branch accounting system (OLBA)

will provide branches with up-to-date information about their income and branch funding throughout the year.

How detailed does the budget need to be?

The module in OLBA allows for differing levels of budget setting to meet branches' different needs.

Can the branch review its budget during the year?

The branch committee should regularly review actual expenditure against budget as a matter of good governance. Then it can make adjustments for the remainder of the year should the need arise e.g. income fluctuations or unexpected events such as a dispute.

Other factsheets in this series:

Sharing Resources, Conference and Democracy, OLBA, Banking, Investments

Branch Finances

Your Questions Answered



Factsheet 6: Banking

Why do we all need to bank with the same financial institution?

One financial institution will ensure improved security and custody of the union's assets. When branches close or merge, bank accounts are lost or forgotten about and being with one institution will ensure a working relationship to avoid this. UNISON external auditors have raised this year on year as a recommendation to improve our financial security and financial management.

Why should it be Unity Trust Bank?

Established almost 30 years ago as Britain's first trade union bank, Unity really understands the needs of trades unions and their members. This unique relationship and Unity's in-depth knowledge of the trade union movement, make Unity the bank of choice for trades unions. Through its lending into the social economy, Unity shares our aims and values, and together we can really make a difference – enabling social change, strengthening the economy, and improving the lives of workers and communities everywhere. Dave Prentis is President of the board and the board includes seven directors from the trade union movement.

Furthermore our relationship enables us to integrate Unity's operations with our wider OLBA strategy for branches, especially automated bank reconciliations and on-line banking.

How secure is our money with Unity Trust Bank?

Unlike many high street banks, Unity does not depend on borrowed money to fund its day-to-day activities. This means that Unity doesn't operate in the risk environment that other high street banks do, and it is protected from the financial turmoil that some banks have faced in recent times. Therefore, through banking with Unity, your money is in a secure and predictable place, free from risk.

Does the Financial Compensation Scheme apply to UNISON?

No. The scheme, which protects investments with banks up to £85,000, only applies to personal investment and businesses much smaller than UNISON. The scheme does not apply to UNISON or its branches.

Does Unity Trust Bank have branches on the high street?

No. Unity Trust bank's internet banking service is easy to use, free to set up and can be tailored to meet your own requirements, and all signatories on the account are automatically registered for its Telephone Banking service. However if a branch wanted to have access on the high street this can be arranged using a third party high street bank branch.

Do all branch accounts have to be held with Unity Trust Bank?

No. This arrangement only applies to current accounts. Branches will still retain the autonomy as to where to invest their money on deposit.

Other factsheets in this series:

Sharing Resources, Conference and Democracy, OLBA, Budgeting, Investments

Branch Finances

Your Questions Answered



Factsheet 7: Investments

How would the investment scheme operate?

It is a voluntary scheme that branches could opt into. The scheme will offer a better rate of return for the majority of branches. Pooling branch monies would achieve a greater return than individual investment. At the time of writing the rate of return is 0.9% on a 90-day investment.

Why should my branch be interested?

Pooling funds helps to improve interest rates for all and thereby delivers a better rate than can generally be achieved elsewhere.

What if my branch finds a better alternative in the market place?

There may well be alternative financial institutions where an investment may return a greater amount. However, these may have different conditions and strings attached that compromise the accessibility and security of funds invested.

Will head office be able get its hands on branch reserves?

No. The proposed arrangement is voluntary and would operate through the normal bank-client relationship. The branch will decide how much and for how long it wants to invest, with interest payable directly to the branch.

Will my branch be able to access the money when it needs it?

Yes. However, in order to gain a better return, the amount invested would have to be held for a period of time, currently 90 days. If a branch required its money back earlier, it would forfeit the interest. Alternatively, head office could advance the money to the branch until the maturity of the investment without losing interest.

Why a cash investment scheme?

Alternative investments, such as stocks and shares, are volatile. There is no guarantee of a return and big losses can be suffered. It is also UNISON policy is that members' money is not invested in stocks and shares.

Other factsheets in this series:

Sharing Resources, Conference and Democracy, OLBA, Budgeting, Banking

Branch Finances Your Questions Answered



Online Branch Accounting user reviews

“ I must confess to being very apprehensive as year-end approached. This has been my first year as Treasurer and, obviously, my first year-end. Our previous Treasurer had held the position for many years and told me before he handed over the files and paperwork, that he was very proud of always having balanced books. a hard act to follow for somebody who struggled to achieve “O” level Maths many years ago.

He also told me that he had been one of the first Treasurer’s in Scotland to migrate the Branch on to OLBA and that this would make the job of Treasurer so much easier. Little did I know how right he was!

I have made it a habit to reconcile our bank statements so when the end of year came a lot of the work done. I found the initial instructions for closedown easy to follow and was happy to hand over to the Auditor, thinking the difficulty would come when the books were returned. It did not. When it came to the final submission, I was pleasantly surprised by how straightforward it was. Nevertheless, when I did have a couple of concerns the OLBA team were there at the other end of the ‘phone with seemingly endless patience.

If anybody is reluctant to migrate to OLBA, I would urge you to go for it, you will find the system comprehensive and easy to navigate; you will receive full support from the team and I am sure you will find your work as Treasurer is simplified.”

“ Having started the year completing a ledger and ending up using OLBA, there is no comparison and I would never go back. I would encourage anyone not using OLBA to move over, however I’m aware some people may be using other accountancy software that they prefer.

For our branch an unforeseen consequence of moving over to OLBA is that we have lost our auditors, as there is no challenge for them now, it is too easy!

The training and help I have received from UNISON staff regarding OLBA has been excellent and timely, apart from an issue with some funding that came up in the closedown process, where I’m probably unaware of things going on in the background that led to a frustrating delay. I’m hoping next year the closedown process will be streamlined and my knowledge will have increased so that I don’t make the errors I made this year.”

“ I was pleasantly surprised how easy OLBA was, as I didn’t start to enter last year’s accounts onto OLBA until after a very good training course in Grantham in the Autumn of 2012.

My entries were more complicated than normal, due to a branch merger requiring the first three months to be reported on the two old branches, then a transfer of both into the new Health branch.

I’m not saying that there weren’t a few hiccups, mainly based on my stupidity and having multiple cheque books on the go at the same time [we cover a large geographical area]; but these were easily overcome by the OLBA team. I’m looking forward to an easier passage this year, as I will be able to do the accounts each month once the restricted view is removed for 2013.”

“ I am a UNISON Branch Treasurer and our branch went live with OLBA in September 2012 having attended a one day course at Stoke Rochford – we had been using QuickBooks accounting system for several years before this.

The training was excellent. I had inputted January and February income, expenditure, receipts, and reconciled Bank statements. At first, I decided that I would try and keep both systems running, however, as time passed I concentrated on the QuickBooks due to limited time thinking that the OLBA system would take more time to administer (more of a confidence issue in reality).

However with the deadline fast approaching for end of year and remembering the complexity of completing the process the old way – the OLBA option became much more interesting, appearing easier and more beneficial. At the eleventh hour, I decided having read through the relative short manual/instructions and that support was only an email/telephone call away; I embarked on transferring all of the 10 months that remained. I received excellent support – almost immediately – to any ongoing issues I encountered. I can say without doubt, the best and quickest support I have received ever in all my working and social life to problems/issues encountered. It gave me the confidence to complete my end of year accounts and the whole process was that much easier knowing that adequate and professional support was in place and available to guide me through at every stage.

This accounting system is sleeker and quicker than my old system. The on screen help and guidance is superb along with the training manual and support. I won't be going back to QuickBooks, OLBA for and my branch from now on.

“ This is my first year in the role of Treasurer for my branch. Our branch was already set up with the OLBA system when I took over. I have not had any formal training on the system, but was given a brief overview by two regional finance officers from Manchester. This did not take place until the June/July so I therefore had a bit of a backlog of entries and reconciliations to complete on the system. This did not take me too long and I have certainly found the system very easy to use in the last 12 months.

I was extremely anxious when it came to the end of year process. However this all turned out to be very straightforward. I did require some assistance from the OLBA team as I had made an error earlier in the year within the petty cash. This was all rectified for me very quickly and I was able to complete the end of year process after that.

I very much prefer to do things electronically where I can, and consequently the end of year process was simplified enabling everything to go smoothly.

The only down side to me on the OLBA system is the time it takes to have your accounts signed off at HQ as this holds up your current year reconciliations and you are always playing catch up.

“ I can safely say that this has been by far the easiest AFR I've done in my five years as Branch Treasurer.

I had one small issue with a misapplied receipt which was dealt with quickly by Finance and then a few items of information to input before printing off the declaration form and sending off with the documents to IMPS.

I would never go back to my old systems.

“ Well I would have to say that the OLBA system seems to be going from strength to strength. It is straightforward to use, speeds up the accounting process and makes any treasurer's job a lot easier.

I would agree that improvements can always be made and would support the three lessons learned that you have identified plus following feedback from the auditors perhaps the transaction reports could be a little clearer.

“ As someone from a non-financial background I have found this system absolutely wonderful. It is simple to use and very user friendly.

Having never done this sort of thing before, words like 'reconciliation' and 'end of year reports' were new to me. However any support I requested was given immediately and in such a way that enabled me to complete the end of year report on time – of which I am extremely proud.

I would like to thank the OLBA team for their help and support in my first year using the programme. I would recommend that all branches get onto the system as soon as possible – it really does make life easier and takes the stress out of keeping accounts.

“ First of all OLBA is very straight forward and I am very happy with it.

The only issue I have is that we were not advised about getting branch funding input as a 'split' until after I had balanced all accounts and completed all bank recs and was ready to close! This was very annoying as the accounts had to be re-visited and assistance had to be sought to correct it. Also, it was too late in the day – only four weeks before year end completion – to ask for things to be input in a specific way as they could have been done throughout the year and made everyone's life easier!

I – along with a number of others – had been off poorly for some time during the financial year and had literally pulled everything up to date on the same day. I subsequently discovered that – unlike accounts procedures at my work where we have to put the date the reconciliation was undertaken – we should use the actual statement date. This again caused an issue which could have been avoided had I been aware of this at the start.

Hopefully in taking on the lessons learned this year the same things will not occur again. The actual year end procedure itself is infinitely better than the 'old way'. All in all this year has been a learning curve for all of us but I'd still recommend OLBA!

”

“ The Online Branch Accounting system is very good. Year end was even better this year with the online year end being seamless from OLBA to the AFR.

I do have an issue, however, in the fact that we are nearly three months into the financial year and our accounts have still not been approved. This is becoming problematic as we are unable to reconcile existing accounts and also not able to set up a new account the branch has. I know you acknowledge that the time lapse needs sorting but would like to know if you had a time frame for when our accounts will be approved?

Also the branch did not get an acknowledgement that our accounting information had been received for yearend – which I have had in previous years.

One little niggle is that I get a message telling me I have not reconciled the deposit account for a month or more. As I only receive statements quarterly it would be good if this could be accommodated by the system.

Despite these issues I repeat that in general I have found the online accounting system a real bonus as almost everything is done for you for year end and starting the new financial year.

”

NEC Branch Resources Review

Report to UNISON National Delegate Conference 2013

Contents

Foreword	3
Summary	4
Sharing resources	9
Conference – democracy	13
Online branch accounting (OLBA) .	15
Budgeting	18
Banking	20
Investments	22

Members of the project group

NEC elected

Mike Hayes (chair)
 Josie Bird
 Liz Cameron
 Sue Highton
 Jane Carolan

Regional representatives

Diane Kelly
 Clare Williams

Officers

Bronwyn McKenna
assistant general secretary – organisation & resource development
 Cliff Williams
assistant general secretary – regional management & governance
 Steve Tasker
director of finance
 Sotirios Loizou
regional and branch development officer
 Serena Hadley
project group administrator
 Keith Heron
RMT West Midlands
 Brian Hicks
programme and project officer

Foreword

Welcome to the NEC branch resources review report, which is the culmination of two years' intense work following conference 2011 passing Motion 116, Review of Branch Funding.

The last review of branch funding was completed in 2001 when the current branch funding formula was introduced. That review reduced the anomalies that existed between similar branches of the same service group and across service groups that UNISON organises in.

This report, to the 2013 UNISON national delegate conference, recognises that much has changed in branch organisation since that time – changes that are causing organisational challenges that branches are currently facing. Following extensive consultation the proposals contained in this report seek to:

- make it easier to be responsible for branch finances
- make best use of our resources
- meet the organising challenge.

There is still more to be done and the report recognises that further reports will be required to complete the transition needed.

I hope you enjoy reading the report and can come to the union's national delegate conference in June to ensure that it is agreed and implemented.

Finally, I would like to thank UNISON staff, branch activists, and in particular branch treasurers, together with members of the project group, for all their hard work over the last two years. Without that huge effort we would not have a report to read and discuss today.



Mike Hayes
Chair – Finance and resource management committee

Summary

The need for change

This report is the culmination of two years' intense work following national delegate conference (NDC) 2011 passing motion 116, Review of Branch Funding.

It is worth reminding colleagues that the review didn't come about by accident. There were significant pressures on the union that have brought us to where we are today. These pressures came from both internal and external sources.

Internal pressure came, firstly, from the knowledge that the financial training, help and support we gave branches, and branch treasurers in particular, was woefully out of date and inadequate. Secondly, there were a growing number of branches and regions submitting motions to NDC calling for changes to the branch funding formula that was last reviewed in 1999 with proposals endorsed at 2001 NDC.

Since the implementation of the formula on 1 January 2002 significant changes have occurred to the way branches organise. Outsourcing has led to the fragmentation of the workforce and meant that many branches have gone from a single employer to a multiple employer base, sometimes over a large geographic spread with members in small clusters. Pressure on activists has never been more intense.

External pressure was also building. Firstly, a recently established HM Revenue & Customs (HMRC) task force was undertaking a thorough examination of our finances. The primary role of the task force

was to investigate not-for-profit organisations such as ours. In response to this pressure we issued the NEC scheme on branch member expenses (including honoraria). This ensures we meet our statutory obligations for compliance and disclosure.

Secondly, our external auditors, in reporting each year to the finance and resource management committee (F&RMC), highlighted concerns about the control mechanisms of branch finances. They expect an organisation of our size to have multiple layers of financial control and scope to significantly improve our operational efficiency and organisational management.

Furthermore, the savagery of the coalition government cuts has unfolded during the period of the review and many branches have lost significant chunks of membership and the income associated with those members.

It also became clear that the member experience differs from branch to branch and across service groups in relation to facility time, accommodation and branch staffing resources.

All these factors come together to create the 'perfect storm' for branch income and the capacity to meet the organisational challenges as set in the code of branch practice. Therefore the need for change is overwhelming.

The review

A project group consisting of senior lay activists from the NEC and regional convenors, together with senior members of staff, was quickly established (see page 2).

From the outset the group recognised that the only way to deliver proposals that would deliver the set objectives would be through meaningful consultation to achieve a consensus view.

The first task of the group was to develop a framework and objectives for the review and it became apparent that confining the review to branch funding would be too restrictive. The need for change highlighted that the most appropriate approach was to expand the remit to encompass the variety of challenges and changes being faced on the ground in branches and regions.

We therefore mapped the expectations of the organising branch, as contained in the code of good branch practice, against the union's priorities and objectives. These were published in our first consultation paper (in the section on the organising branch) and branches were asked if the analysis was a comprehensive and accurate reflection of branch organisation.

The initial objectives were to critically review both the funding of branches and the resources available to them to deliver branch organisation that would:

- establish processes and protocols that would be fit for purpose
- be fit for the future
- secure the financial stability and viability of the union
- integrate seamlessly with the wider financial and organisational strategy of the union.

The group undertook two rounds of consultation with branches, regions, self-organised groups and service groups. Literally thousands of activists have been consulted.

The group embarked on the first round of consultation in spring 2012 with outline thoughts in order to gather opinions on how an organising branch can be best resourced. A second round of consultation was undertaken in autumn/winter 2012.

Initially the group agreed four cornerstones for any new resourcing scheme:

1. It must be flexible and adaptable to meet the future challenges faced by the union.
2. It must guarantee the longer-term financial stability of the union.
3. It must link branch expenditure and resources with the wider objectives of the union.
4. It must be overseen by a lay governance group.

Following consultation we added an additional three cornerstones:

5. It must enable the branch to campaign, organise, represent, service and negotiate on behalf of all members.
6. It must allow all members to have equal access to services and facilities.
7. It must manage and minimise financial and operational risk exposure.

The group gave lengthy consideration to the views and comments of all participants. They underpinned the formulation of firmer proposals for change that would encourage greater sharing and better use of resources and whether a move to budget-based branch funding would be achievable.

However, it was very clear that there was no consensus around wholesale changes to the branch funding formula at this

moment in time and more detailed work with comparative data and further consultation would be required before consensus could be achieved.

Proposals for change

The proposals and improvements to working practices contained in this report are those achieved by means of consensus during the consultation process and dovetail with the seven cornerstones outlined above. These were established at the beginning of the project and are shown on the right.

The proposals are set out individually in detail in the forthcoming sections of this report. They also explain the changes to processes or rule amendments that are required to enact the work of the group.

Proposal	Objective	Cornerstone	Recommendations
Sharing resources	To encourage the best use of resources. The group believes this will help to meet its objective of each member having equality of service.	1,2,3,4,5,6	<i>New schemes in handbook</i>
Property	To encourage branches to explore property-sharing initiatives for existing and new acquisitions. To ensure the union meets its legislative requirements including the holding of all freehold and leasehold properties in the name of the national trustees. To ensure branches set aside finances to meet planned and preventative maintenance of properties and to minimise exposure to costs of dilapidations. Established funds will not be considered as reserves for funding purposes.	1,2,3,4,5,6,7	<i>New scheme in handbook</i>
Branch-employed staff (BES)	To ensure any new and/or existing BES are affordable and sharing options considered.	1,2,3,4,5,6,7	<i>Further review within next steps</i>
Procurement	To provide best value utilising our purchasing power whilst ensuring products are ethically sourced from socially responsible suppliers.	1,2,3,4,5,6,7	<i>New scheme in handbook</i>
Conference/democracy	To improve representation in our democratic structures and thereby reduce the democratic deficit.	1,2,3,4,5,6	<i>Rule change</i>
OLBA (Online branch accounting)	To ensure branches maintain records of their financial transactions, income and expenditure and assets and liabilities using UNISON's online accounting system for branches.	1,2,3,4,5,6,7	<i>Rule change</i>
Budgeting	To ensure that expenditure within branches is set against the aims and objectives as determined by the union.	1,2,3,4,5,6,7	<i>Rule change</i>
Banking	To improve the custody and security of the union's funds as required by the UNISON's external auditors. To facilitate the further development of OLBA by automating bank reconciliations and integration with online banking.	1,2,3,4,5,6,7	<i>Rule change</i>
Investment strategy	To reduce the opportunity cost of our current investment strategy.	1,2,3,4,5,6,7	<i>New scheme in handbook</i>

Conclusion

Consultation clearly directed the group to continue its review to explore further options on how branches can be resourced in the future. This would include more detailed work on the viability of a budget-based approach and further consultation with branches and all stakeholders. The last two years have taught the group that branches welcome change through consultation and they are receptive for the need to modernise and change our approach to resourcing branches.

The proposals being advanced ought to start that process by delivering sharing and better use of resources throughout regions, branches, service groups and self-organised groups. These are among the 'opportunity costs' to the union – that is, what is sacrificed by the operational and financial decisions we make. These decisions and their review are crucial in ensuring all resources are used effectively. We believe the proposals in this report will place the union in a much stronger position from which to further evaluate, consult and then agree additional changes to branch resourcing and branch organisation. These can be introduced without upsetting the financial security of the union.

The results from branch returns for 2012 clearly show branches are still financially very healthy with overall reserves increasing to £53m despite the current austerity measures and declining income. The last 12 months have proved especially difficult financially for seven branches and they have sought help and support from

the union. We have reviewed their business cases, agreed interim measures with them and are working collaboratively to ensure their longer-term financial security and viability.

The NEC is committed to completing this project and it asks branches to endorse this report and support the NEC motion to continue this vital review for the union. For these reasons, other motions seeking to change the resourcing of branches outside this process ought to be opposed.

Next steps

The NEC intends that should conference agree the proposals,

- the required rule changes will be implemented
- revisions to the finances handbook will be drafted and issued to branches
- the group will continue its review and again consult with regions, branches, service groups and self-organised groups
- the NEC will bring further proposals to national delegate conference in 2014.

Sharing resources

History and background

Since the inception of UNISON, branches have been organised on a lead employer basis, and our structures and procedures have developed accordingly.

This has meant historically that branches operate predominantly in silos with very few examples of joint working. Branches, for the most part, procure goods and services, manage their property requirements and consider whether to engage branch-employed staff on an individual basis. Employers from varying service groups are commonly clustered around an urban hub, yet the branches based around those employers all act completely separately even though they may only be a few miles apart. It has also meant historically that branches with a larger employer base have more income and enjoy the benefits associated with that income. This means that a member in a branch with more resources has a different experience to one in a branch with fewer resources.

There are, however, branches which have worked collaboratively and now share the benefits of this joint approach by bringing together branches and enabling them to share a property, branch-employed staff and access to general office requirements such as printing or utilisation of RMS (UNISON's membership database).

The structure of employers has also changed beyond recognition since UNISON was formed in 1993. Outsourcing and privatisation have led to the fragmentation of the workforce. Where in the past a branch would deal with just one

employer it is now not uncommon for a branch to deal with hundreds of employers over a wide geographic spread. This presents an organising, representing and recruiting challenge which many branches are struggling to overcome.

The savagery of the coalition government's cuts to the public sector is also impacting on branches' resources, property and branch-employed staff, so that income is declining in most branches. Where branches have significant fixed costs, fluctuations in income can destabilise even the largest branches. For example, in presenting their annual financial returns each year, branches show that £12m is spent on branch-employed staff. This is almost a third of branch income and it is becoming increasingly clear that with falling income branches are struggling to meet that cost. Where branches do not set a budget early identification of such cost pressures will exacerbate the issue.

It is also becoming clear that a number of employers are serving notice on branches to quit their office space held under a facilities agreement. This space, generally free of charge, is being taken away either as an attack on industrial relations or as a cost-saving exercise, but the transfer to having to pay commercial rent and associated service and utility costs can again destabilise even the largest branches.

When the group embarked on consultation it was clear from research that branches have a huge amount of resources available to them. These resources are not just financial, but include assets within the branch (printers, computers etc), property and branch-employed staff.

The group consulted with a clear vision that sharing resources and utilising our buying power through better procurement can deliver tangible benefits to branches, both individually and collectively, and also enhance the member experience and branch organisation.

Need for change

As an organisation we cannot ignore the challenges that branches have to confront. Shrinking income, hostile employers, large geographic multi-employer branches and reduced facility time all play a part in the need for change.

The pace of change is staggering and branches are facing real challenges and increasing workloads and are struggling to keep up. Branch organisation is critical to delivering our aims and objectives and the impact of the changing work environment cannot be underestimated. We therefore need to have a programme where our resources, and the utilisation of those resources, are the subject of ongoing review and scrutiny. This currently happens through the joint branch assessment. However, this is primarily on a branch-by-branch basis with little or no joint working which means branches may not be utilising their resources to best effect.

There are growing numbers of branches where the affordability of their current arrangements – whether that be staffing, property or general branch resources – is not sustainable. But there are also branches that, while not being able to afford everything they need

organisationally, have the capacity to contribute to a shared arrangement.

We need to challenge whether it is acceptable that, for example, a branch that has seen a drop in funding reduces the hours of a branch-employed member of staff whilst a neighbouring branch would readily pay for those hours. Currently those discussions rarely take place.

We also need to challenge the differing member experience that exists between branches. Members should expect a minimum level of service regardless of the employer they work for or the branch they belong to. So it should not be acceptable that a member in one branch has the benefit of access to a branch office, branch-employed staff, printing facilities etc, yet a member in another branch, perhaps even a neighbouring branch, experiences none of those benefits.

It is important to remember that we are in a position where all parts of the organisation – national, regional and branches – have to scrutinise and reduce their budgets in accordance with income levels. Throwing money at the problem has never been a long-term solution and is certainly not viable in the current climate.

By challenging the way we direct branch resources we can make sure they are utilised to best effect, achieve better value for money and meet the branch's organisational objectives. Not only does this approach bring value for money it has the added benefit of levelling up the member experience regardless of which branch the member belongs to.

Sharing resources can help solve that challenge and the recent example of fighting fund organisers being shared across branches shows what can be achieved.

Proposals

Sharing resources

It is intended to incorporate guidance into the Branch Finances Handbook to give examples of – and to help establish – best practice in sharing resources. It is proposed that the joint branch assessment be used to ensure resource sharing discussions take place alongside all other discussions. These discussions will proactively encourage cross-branch working and have a regional overlay in terms of options and resources. This will be supported and co-ordinated in the first instance via regional structures.

In order to facilitate innovative ways of sharing resources it is intended to have an additional fund of £250,000 available for branches to bid against. This fund would be over and above the current branch funding formula and would be exclusively for use of projects and developments associated with sharing resources. Appropriate application forms will be developed. Regions will have in place appropriate structures to facilitate and co-ordinate this process.

Branches can also apply for additional funding through the General Political Fund, the General Fighting Fund and the Regional Pool. These application forms will also be amended to ensure branches

consider whether added value can be brought to the bid by sharing the resource.

Property

A new property scheme will be incorporated into the Branch Finances Handbook. The scheme will outline arrangements for branches that have existing property and those who wish to obtain property.

The law states that any property, whether it is leased or purchased, must be held in the name of the union's trustees and all branches must ensure that they comply with this position. However, the new scheme will enable those branches that have dedicated property funds to apply to have those funds discounted from general fund reserves for the purposes of branch funding.

Any proposal from a branch for a new property will have to be backed up with business and organisational plans that must show that sharing options have been proactively considered. It is expected that these options will have been considered with a regional overview. Similarly, all existing branch properties must be annually reviewed through the joint branch assessment to ensure they are still affordable, appropriate and fit for purpose. Active consideration should at the same time be giving to sharing the property if appropriate.

Branches will also be able to use the facilities of our property section at UNISON centre which has experts in procurement of property and all associated issues.

Branch-employed staff

Proposals for branch-employed staff (BES) are all underpinned by the fact that BES are directly employed by the branch and all employment issues remain with the branch.

In order to assist branches it is proposed to set up a mechanism whereby branches can 'buy into' a payroll and HR scheme. This would assist branches with key employer issues such as auto enrolment and the requirements of the new HMRC PAYE Real Time Information (RTI) scheme which went live on 6 April this year.

In order to further facilitate the sharing of resources it is proposed that each year, through the joint branch assessment, a review takes place to consider the affordability and appropriateness of existing staffing levels, together with consideration of whether staff could be shared across branches. Should branches wish to employ new staff they will no longer be able to do so without a supporting organisational and business plan. The plan must also highlight that proactive consideration has been given as to whether the staff can be shared and that there has been regional involvement in that process.

Branches will also be encouraged to allow for a redundancy fund from their reserves. Branches would be able to apply for such funds to be discounted from general funds for branch funding purposes up to the statutory redundancy payment level.

Procurement

A new procurement scheme will be incorporated into the Branch Finances Handbook. The scheme will outline arrangements for branches to voluntarily utilise centrally negotiated contracts to deliver value for money whilst ensuring an ethically sourced and socially responsible supply chain. The approved list of suppliers together with the selection criteria applied by the union to its contracts can be downloaded from the UNISON website.

Implications and outcomes

Once the proposals are accepted, a cultural change will be required to enact them. Branches will have to think collaboratively and communicate regularly with the region through the joint branch assessment.

Branches will need to challenge themselves about how they currently deploy their resources. However, in exchange, additional funding over and above current funding levels will be available to branches and they will also be able to discount dedicated funds from general funds for branch funding purposes.

Making such changes will ensure branches are focused on their organisational goals and utilise resources to best effect in order to deliver them, whilst ensuring both better value for money and a better member experience.

Conference – democracy

History and background

National delegate conference (NDC), as the supreme decision making body in UNISON, is an integral part of our democratic structures and attendance and branch participation is essential in formulating policy and the strategies to be employed in taking these policies forward. It is a core component in ensuring we are a member-led union and is one of the many elements that sets us apart from other unions.

However, every year almost a quarter of branches do not attend national delegate conference and the most common reason given is the cost of attending. These are predominantly small branches with 500 members or less, and consequently less income.

During consultation many branches raised concerns regarding the booking fee associated with hotels for conferences. Therefore we are pleased to report that following discussions this booking fee will no longer apply and there is no charge to branches if hotel bookings are made through Trust Reservations.

Need for change

Under the current funding scheme branches are funded on the assumption that they will attend NDC. If this is not the case then a 2.5% penalty is applied to the branch. Many smaller branches find that the financial penalty they face by not attending is far less than the cost of sending a delegate, which is estimated to

be in the region of £1,000, whereas the penalty for a branch of 400 members, with an average income of £10,000, is only £250.

This is an area the branch resources review needed to address as we want to maximise participation at conference for all branches, but it is becoming increasingly clear that the system of penalising branches is not working. Many branches are missing out on a critical part of UNISON's democratic decision-making process, and are becoming disenfranchised by a system that they do not feel able to participate in.

Proposal for change

To enable more branches to participate in NDC the NEC has proposed Rule Amendment 3 to NDC 2013, which will enable branches with fewer than 501 members to be grouped on a voluntary basis for purposes of conference representation.

Implications and outcomes

This means that one delegate will represent multiple branches, thus spreading the cost and sparing the branches the penalty. The delegate would be issued with the card votes for all of the branches he/she is representing, should they be needed. Obviously there will be some organisational issues in terms of mandating, but importantly more branches would be given a voice at conference – and able to vote, speak and submit motions. Therefore if approved the NEC will issue guidance to branches and regions.

Branches would have to volunteer to be grouped with another branch and the process would be facilitated through the region to enable suitable branches to be grouped together. If the total grouped delegation exceeded 1,000 (for example three branches of 400 members would total 1,200), then the NEC scheme of fair representation and proportionality would be applied.

Throughout consultation this proposal was widely welcomed, especially by those branches that would benefit from the proposal. This rule would be restricted to branches of fewer than 501 members as they are predominantly the branches that do not attend conference due to cost, but also because of issues raised throughout consultation. Many activists were explicit in their desire that they did not want to see the introduction of a rule that could be used to undermine the current scheme of fair representation and proportionality or larger branches grouping themselves with smaller branches and for the smaller branches' voice to be lost.

Online branch accounting (OLBA)

History and background

Historically branches were autonomous regarding the type of accounting records they employed to maintain records of their income and expenditure, assets and liabilities. All too often, this autonomy created problems, especially with the handover of records when a new treasurer was elected. While some branch committees managed their finances by setting budgets and regular monthly management reports, some would only report once a year at their AGM.

The discretionary approach adopted by the union has led to around 60 branches each year failing to submit an annual return to head office (rule G10.1 refers) and another 90 that fail to meet the rule book deadline. This does cause the union problems meeting our legislative requirements, particularly Section 28 of the Trade Union and Labour Relations (Consolidation) Act (TULRA), and our auditors signing off the national and branch consolidated accounts with so many omissions.

Furthermore, the rules for late and/or non-submission result in the application of funding and democracy penalties and a two-tier appeals process that deflects resources away from other key operational work.

This year the certification officer made enquiries into our financial processes and procedures following well-publicised frauds that came to his attention. This means we must have in place a robust review

mechanism to safeguard union funds.

It is no coincidence that the development of a web-based accounting system (OLBA) has coincided with advances in technology to meet the changing requirements of a forward-thinking union. The concept of an accounting system for branches has its roots in our internal audit section that developed early spreadsheet models to help treasurers prepare branch accounts and accounting data for national office from the same spreadsheet records. Indeed, many branches also made the transition, dispensing with the commonly used paper analytical cashbooks.

For the last four years we have reacted to the requests of the finance and resource management committee and our external auditors to:

- modernise our training, help and support for branch treasurers;
- improve our data capture and reporting mechanisms;
- improve the custody and security of union funds.

We have already addressed some of these requests, e.g. updating the finances handbook, issuing an expenses (including honoraria) scheme and integrating OLBA with the annual financial return. Others, including the full-roll out of OLBA, were part of our consultation with branches.

Need for change

Branches require a system that:

- helps them maintain records of their income and expenditure, assets and liabilities
- provides branch committees with up-to-date reports
- provides an annual reporting mechanism for the members of the branch and the union
- ensures compliance with legislative requirements
- streamlines processes and procedures and removes duplication
- improves the custody and security of funds
- integrates with the wider strategy of the union
- facilitates better management of funds
- provides branches with real time income data and forecasts on current and future funding
- has multiple layers of control which our auditors expect a union of our size to have.

A strategy to implement a standard accounting platform, supported by appropriate national training and support structures, is long overdue and has been widely welcomed by branches.

Our reviews, our external auditors, the feedback from live users and the results of consultation indicate that the status quo is no longer an option.

The certification officer expects the union to operate systems and measures that prevent or ameliorate fraud.

Proposals for change

The NEC acknowledges that OLBA is now ready to become the standard accounting platform for all branches. To this end it recommended a rule change to make the use of OLBA mandatory for all branches.

Implications and outcomes

The benefits that accrue to branches and the union cannot be over-emphasised. It is fortuitous for the union that we have a ready-made solution to help us through these difficult times. The changes should see a broader group of volunteers – and not just from financial backgrounds – and perhaps less turnover, given the improvements made to training help and support.

We have set up an OLBA billboard on the UNISON website under the heading branch resources review where we have asked our live OLBA branch treasurers to post the outcomes that OLBA has delivered for them and for their branches and to share their likes and dislikes with other non-live branches. These will help to inform all branches about these very important issues.

To meet the large demand to start using OLBA we have organised training dates in venues around the country in the lead-up to conference. The strategy is to encourage as many as possible of our larger branches to migrate their records as later in the year the process becomes more resource intensive with a much larger number of records to update.

We now have a modular approach to training our treasurers; the first is to develop an understanding of OLBA, how to record receipts and payments and run reports; the second is to broaden treasurers' understanding of the role of finance in an organising branch. This will include their role in the budget setting and managing budget processes as well as the key duties and responsibilities that flow from our rules, code of good branch practice and our other financial literature.

In the lead up to conference we will publish our help and support structures that will be in place post conference when we will look to pilot a social network site for treasurers who have frequently asked us to develop a national forum where they can share, inter alia, their learning experiences.

For us the ability to train and help our treasurers to overcome their accounting problems is the most prominent feature of OLBA. These issues can now be discussed and resolved on the telephone whereas previously the travel and time required would have been both inconvenient and costly. Above all, OLBA ensures branch and national accounts and national accounting records are balanced, reconciled and consolidated without the need for estimates or judgements.

Politically this may not sound important but for some in the finance directorate it represents the achievement of a lifelong accounting goal.

Moreover, as a number of key indicators can be shared with all levels of the union we will be better placed to react and respond to accounting and financial problems branches may experience, especially those resulting from reduced funding income. Nominated officers and activists can also share access to financial data.

From 2014 onwards national and regional courses will be arranged to coincide with new officers' appointments following annual elections. Nationally and regionally we will proactively assimilate new treasurers into the role and ensure they have access to our financial literature and courses. We will work actively with regions to ensure follow-up help and support can be given if required.

To enhance our approach to learning and training we will have in place a number of new training and support initiatives. These will include two e-learning environments for OLBA as well as budgeting and integrated on-screen help and reference materials. E-learning will be especially useful to treasurers who are experienced and prefer to teach themselves.

Finally, one of the risks of managing branch funds outside a shared environment is the opportunity cost; that is, the unfortunate theft of union funds, as often these cannot be recouped. Sharing data and indicators will help us reduce such occurrences.

Budgeting

History and background

While all other parts of the union, including regions and the national union, always set annual budgets there is no requirement for branches to budget, so again the process is discretionary. While most branches would probably agree that it is an essential task, the fact that most do not set a budget is probably again a reflection of the historical training, help and support for activists, especially branch treasurers.

In its simplest form an organisation will set goals (in UNISON objectives), set budgets aimed at achieving these goals, and then allocate resources to those budgets. The process should ensure funds and resources are managed and directed towards objectives. For branches these were set out in our first consultative paper in the section on branch organisation. These were widely acknowledged and endorsed during consultation and so provided a framework against which the review could examine the allocation and deployment of resources to branch organisation.

The results should be a comprehensive analysis of branch organisation and consequently identification of those objectives that require resources. To achieve this we needed to establish and agree processes and procedures by which we could capture and report organisational data (including financial data) that would help inform future planning and decision making, including the future resourcing of branches. Establishing budgets in branches was the most obvious platform

to carry out this review and therefore became a key theme for consultation.

Consultation clearly directed the review to improving the approach to branch funding, especially providing accurate and up-to-date income data and funding entitlements. Delivering this information would be central to any strategy to introduce budgeting into branches.

Need for change

Branch committees share a collective responsibility to manage branch finances and this will be difficult if not impossible to achieve without a formal budgetary system in place. Therefore budgeting must be viewed as a natural organisational development to help branch committees with financial planning, control and decision making.

Many branches do recognise that the current formula for allocating resources to branches acts as a barrier to delivering the cornerstones for any future scheme. Therefore the proposal to introduce budgeting will enable us to evaluate a range of options.

Proposals for change

In meeting the organising challenge, a framework was agreed around branch development and planning so that:

- branches are assisted to identify their priorities and objectives, to plan accordingly, and to have the resources to achieve them

- regional support to branches is aligned to the outcome of an assessment process that also informs the region's organising plan and the deployment of staff resources
- regions are held to account for their progress in achieving NEC objectives through their branches.
- hold meaningful discussions
- improve branch organisation
- identify the resources branches require
- allow for modifications to budgets to be made during the year.

Most of the above is currently part of the annual joint branch assessment (JBA) and so a logical progression was to integrate budgeting into this process. Therefore the NEC is proposing a rule change that branches shall annually develop an appropriate budget as part of the JBA process in accordance with the objectives and priorities set by conference.

Regions and branches should continually monitor and review budgets and the changes to the JBA process and feed these to the group. Regions will have in place appropriate structures to facilitate and co-ordinate this process. This information, together with the results of actual income and expenditure compared to budgets, will be consolidated into a report to inform the next round of consultations.

Implications and outcomes

A budgeting module has been developed within OLBA that will help branches and regions to set budgets during a JBA. That module will initially be populated with each branch's forecast income for 2013 and expenditure from their 2012 return. This should provide a sound platform from which to set goals, develop future spending plans and to establish whether some, most or all can be financed from income, reserves, or surplus funds available to invest.

The process is not intended to impinge on local democracy or branches' autonomy to manage their own finances. The assessment will, though, provide the opportunity to:

Prior to conference we will be further developing the budgeting chapter within the finances handbook. In addition, two new activist training courses – Understanding the role of finance in an organising branch – are currently being developed; one specifically for branch treasurers and the other for all branch activists, especially the holders of rule book officer posts.

The help and support model referred to in the OLBA section will also include budgeting. Similarly we will have in place a web based e-learning for budgeting, and training courses will be advertised later this year before joint branch assessments begin.

Finally, our external auditors unequivocally endorse this approach. They view the process as fundamental in our strategy to manage risk, especially the custody and security of funds.

Banking

History and background

Historically, we advised branches to open a current account for each fund that they held and some branches would hold up to four current accounts. Again, branches were free to decide which bank to use and many would select banks for national, regional, local or convenience reasons.

The union and the majority of UNISON branches now hold their current accounts with Unity Trust Bank. For example branch funding in March 2013 totalled £3.07m. This was paid into 930 branches' current accounts of which £2.57m (84%) was paid into 721 branch current accounts (78%) held with Unity Trust.

To meet the requests made during consultation we are providing details of our relationship with Unity Trust Bank and other key data about the bank and their operations that you can download from the UNISON website under the heading Branch resources review.

The need for change

Recent developments in the banking world have altered our thinking. Most banks and building societies now operate what is commonly known as 'know your customer' (KYC). In brief, KYC is the due diligence and bank regulation that financial institutions and other regulated companies must perform to identify their clients and ascertain relevant information pertinent to doing financial business with them.

Historically, many branches would hold different accounts for different funds and in some cases these remained dormant for many years. As and when a branch sought to utilise such funds they would immediately fall foul of KYC rules, especially changing mandates where old signatories to such accounts could not be located. For UNISON it is more difficult to secure funds from the major high street banks than it is with Unity Trust Bank.

The demands of a UNISON branch are very much different to what they were back in the 1990s. Today there are fewer banks on the high street and branches now collect little or no income locally. In addition, the introduction of internet banking and same-day payments and pre-paid cards eliminates the need to hold cash or to hold an account locally.

The introduction of the online branch accounting system (OLBA) easily manages the accounting for transactions for separate funds, so multiple accounts are no longer necessary. Similarly, Unity Trust Bank will amend and/or modify how it provides data, especially electronic data, to enable us to continue to utilise modern technology and make the role of the treasurer easier, especially the time to complete accounting entries and prepare reports and accounts.

Our auditors have repeatedly recommended the use of a single bank by all branches because the overall management, control, custody and security of branch funds become easier.

Proposal for change

With these issues in mind and not to interfere with a strategy for investments, the national executive council is proposing that all branches open a current account with Unity Trust Bank.

Implications and outcomes

If conference supports the rule change we will work alongside Unity Trust Bank to ensure there is a smooth changeover for branches. Further, because of our special relations with Unity Trust Bank PLC, we have been able to agree a guaranteed level of banking services that we would not be able to negotiate with any other bank. This will include interfacing their systems e.g. bank statement reconciliations and internet banking transactions with OLBA.

Investments

History and background

As with banking, branches are free to decide where to place their investments, although our rules prohibit investing in stocks and shares. Many branches hold their savings accounts with Unity Trust Bank or Britannia Building Society because of our relationship with these institutions.

In reality, the decision to invest funds has been left to branch treasurers, although the union has issued guidelines to branches within the branch finance handbook. These require branches to consider three factors before placing an investment: security, accessibility and rate of return.

Today most financial institutions are holding large cash reserves and so it is becoming increasingly difficult to earn investment income. The consultation made clear that branches recognise the importance of maximising funds from the reserves they hold. They challenged the group to bring forward proposals that would deliver a better rate of return and would guarantee to meet their concerns about security and accessibility. Further work is underway to finalise the proposals and a scheme will be published in advance of conference to meet the requests made by branches.

Need for change

The need for change emanates from the current economic climate, the way financial institutions treat UNISON branches and the low investment income branches are achieving.

The current economic climate has driven down interest rates and made it exceptionally difficult for branches to achieve even a modest rate of return. In 2011 branches achieved a rate of return of around £58k on account balances of £45m – a 0.13% return – while in 2012 that figure improved to £80k from £49m – a 0.16% return. This is not a criticism of branches but a reflection of the fact that branches are usually treated differently to individuals when it comes to the rate offered.

Since 1993 the average interest rate has fallen from 5.8% to around 2.8% but the current rate will only be offered to individuals or organisations with very large sums of money to invest. Therefore branches struggle to achieve even a modest rate of return. The opportunity cost of our operations over the last two years (that is the investment income we have forgone had we changed our strategy) is the difference between the interest actually earned and a modest return of, say, 1.5% – around £1.2m.

Proposals for change

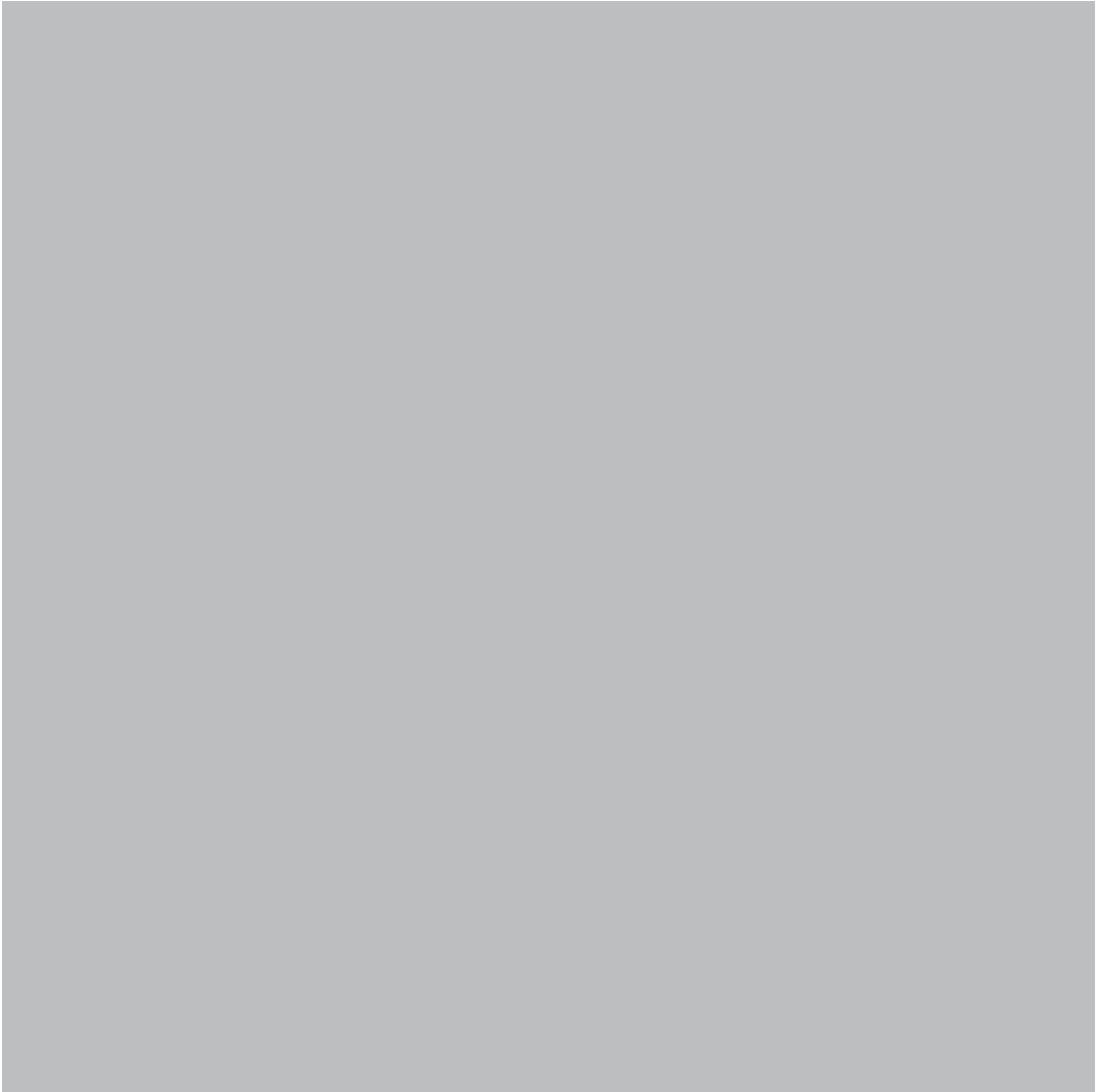
Following consultation we started to explore a range of options to deliver a scheme to maximise investment income for branches. Any new scheme would guarantee all the commitments we gave during consultation; that is: the scheme would be voluntary;

- the amount invested would be agreed by the branch;
- the scheme would allow free access to savings;
- each branch would be provided with half-yearly statements on balances and interest.

Following discussions with Unity Trust bank branches can now secure a current rate of 0.9% on investments of over £100,000 invested for a minimum of 90 days.

Implications and outcomes

The group recognises that most branches have less than £100,000 available to invest. Therefore we will continue negotiations to reduce the minimum amount and to seek an increase in the rate of return. Branches will be informed on any improvements through our existing communication channels.



UNISON NEC report 2014

Safeguarding the union's future: NEC interim report on branch resources

Contents

Foreword	3
Introduction	4
National and branch income and expenditure	5
Branch and national reserves	5
Using our resources fairly – interim proposals for change	6
The longer term vision	6
Branch funding 2014	7
Developing branch budgets	7
The sliding scale	8
The regional pool	10
Guarantees and a step-by-step process	10
Appendix A: full text of NEC motion to national delegate conference 2014	12
Appendix B: NEC expenditure 2013	14
Appendix C: Q & A (to be completed)	16
Appendix D: Membership of the branch resources review group	18

Foreword

Our members and our union are facing increasing challenges. Cuts in public spending have led to massive job losses, privatisation, outsourcing and further fragmentation of the workforce.

Our activists and our branches are under increasing pressure and it is vital that our union makes best use of its resources at every level.

It is more important than ever that the union plans effectively and makes sure we have processes and procedures in place to ensure that all our branches are able to operate effectively to support members and recruit and organise.

They need to know they will have the resources they need to do this.

In 2011, the union's national delegate conference agreed to set up a comprehensive review of branch resources, and since then the branch resources review has been doing the detailed work of looking at the problems, examining proposals and talking with branches through a series of three rounds of consultation.

This report follows this third round of consultation. Branches made many constructive suggestions and

wherever possible, these have been included in these proposals.

This report outlines interim proposals and a vision for the longer term.

On behalf of the NEC, I'd like to thank the activists and staff who have been part of the branch resources review group so far, and all the branches who have been involved in the three rounds of regional consultation.

We have been impressed by the engagement we've had with branches and regions so far and want to assure you that the NEC will continue to work closely with you to make sure our work reflects what you need. We ask branches to continue to engage with us around this developing vision for a union with sustainable, fair and transparent finances which ensure that all our members continue to receive the full support of their union in these tough times.

Mike Hayes

NEC

Chair, finance and resource management committee

Introduction

In 2011, UNISON's national delegate conference (NDC) agreed motion 116 which called for a comprehensive review of branch resources.

This ongoing review takes place against a backdrop of ever-increasing challenges for our union. Cuts in public spending have led to massive job losses, privatisation, outsourcing and further fragmentation of the workforce.

Activists are under intense pressure and it is more important than ever that our union makes effective use of its resources at every level. It is vital that the union plans effectively and makes certain that we have processes and procedures in place to ensure that branch resources are future-proofed and responsive to changing needs.

The review has already resulted in widespread discussion and consultation and some key changes have been made. The 2013 conference passed rule changes which introduced and mandated the use of

the online branch accounting system (OLBA), the setting of budgets through the joint branch assessment and established banking arrangements with Unity Trust Bank.

This interim report contains further proposals, including transitional proposals for redistribution of branch reserves. The redistribution will ensure stability for branches in the short term while the review continues to consider longer-term arrangements.

All of these carefully costed proposals have been subject to very wide consultation including three regional consultations with branches. Details of these consultations are contained in the three reports, seven newsletters and eight factsheets that can be found at:

<http://www.unison.org.uk/for-activists/your-branch/branch-resources>

National and branch income and expenditure

UNISON is one union and our members benefit from services and support provided at branch, regional and national level.

The union's funding formula is designed to allow each level of the union to provide what is needed so that all of our members receive the support and representation they need.

Analysis of the union's national (including regional) and branch expenditure shows the proportions spent on four key areas: supporting members, supporting the union, union democracy and donations and transfers.

Of these, some 70 per cent of the union's money is spent directly on supporting members.

Any significant change to the funding ratios between the national union and branches will therefore influence the member services which each can and should deliver.

A pie chart and supporting data is included in Appendix B.

The government's austerity agenda means massive cuts to public spending, resulting in huge job cuts in many of the areas where our union is traditionally strong.

This is inevitably hitting the union's income. Although we have been able to step up our recruitment and are seeing some of our highest levels of new joiners, the union is nevertheless losing income as a result of the cuts to public service jobs.

There is no sign that this trend will change in the immediate future.

This drop in income, along with pressures on facility time, and a growing list of threats to our members through workplace reorganisations, privatisation and fragmented services are combining to place acute pressure on the union at branch and national level.

Branch and national reserves

There is a very large amount of union money currently held in branch reserves. Since 2002, overall cash reserves held in branches have increased by £24m to £52m and the growth in reserves is around 85 per cent compared to the cumulative inflation rate over these 11 years of 30 per cent – real terms growth of some 55 per cent.

During the same period, national cash reserves increased by just £9m to £41m, with a growth in reserves of around 28 per cent, compared to cumulative inflation of 30 per cent – a real terms reduction of 2 per cent.

The data available also shows an uneven distribution of branch reserves when comparing the balances held by branches with the membership of those branches.

Nearly 50 per cent of cash reserves (£19m) are held by 38 per cent of branches (367 branches) who represent just 17 per cent of the membership (225,000 members).

Some branches hold very large reserves and others have no reserves at all.

Branches with low reserves tend to be those with higher funding and significant planned expenditure (eg property, utility costs and staffing). Clearly, the activities of these branches may be at risk unless we are able to secure their funding.

The provisions of the current branch funding scheme were sustainable while subscription income (and therefore branch income) was increasing year on year during the 2002 to 2011 period. However, with income declining, branches are coming under increasing budgetary pressure and many have little or no reserves to fall back on.

Given that branch reserves overall have increased year on year, it appears that the current 23 per cent funding formula delivers enough funds to branches overall, but not to each individual branch.

The branch funding review aims to develop a longer-term, future-proofed funding scheme, but in the meantime a fairer distribution of reserves would provide security for those branches who are at risk.

What is a “reserve” and what is a “fund”?

It is important to distinguish between reserves (assets) and funds when looking at branch finances.

Reserves

Reserves are a combination of:

- *Fixed assets* – property, furniture and equipment
- *Current assets* – bank current and deposit accounts and building society balances which for purpose of the review is termed as “cash”.

Funds

Currently there are five types of branch funds. All branches will have a general fund but each of the others is optional and has different rules for establishing and operating.

Branch funds include:

General funds - to meet all branch expenditure as set out in the branch organisation model.

Fighting funds – these will be the agreed and therefore committed branch monies to meet future fighting fund expenditure.

Industrial action funds – to provide supplementary financial assistance where nationally-approved strike action is taken.

Premises funds – for future purchase or lease of property or for planned and preventative maintenance of existing property.

Redundancy funds – to meet statutory obligations in the event of branch-employed staff being made redundant.

Using our resources fairly – interim proposals for change

We propose a redistribution of some branch reserves through a sliding scale. The union would introduce a “floor” and a “ceiling” on branch reserves held of £15 and £130 per member.

Branches holding reserves above the floor of £15 per member would contribute a percentage of their reserves (as set out in the sliding scale tables) to the regional pool to be redistributed to branches whose reserves have fallen below the floor of £15 per member. The objective of the sliding scale would be that branches would hold reserves between the floor of £15 and the ceiling of £130 per member.

To help branches understand and to illustrate how the sliding scale would apply to their branch, a ready reckoner is being added to the online branch accounting system (OLBA) and the web-based annual financial return. We have also included some worked examples later in this report.

The longer-term vision

Our longer-term vision is for a new branch funding scheme that would fund branches on a *needs-driven, budget-based* approach. This would support the union's aim for all our branches to become organising branches as set out in the Code of Good Branch Practice.

This approach would reward and enable branches who are active in defending their members and building a strong union with sustainable levels of activist development and branch activity.

It would allow the union to respond flexibly to the changing public services environment which increasingly means branches are moving from a single-employer model to multi-employer branches and may be covering wider geographical areas and both public and private employers.

The old model of a branch is changing rapidly and the union needs a new funding scheme which can flex to meet new demands as they arise.

However, we recognise that this new vision needs careful modelling and further discussion with

branches before we can introduce it fully. This work would include:

* collecting information to create options tailored to branch needs

- looking at any impact on the union's founding principles
- ensuring resources are targeted to the aims and objectives of the union; and
- making sure a new scheme provides an improved level of member service.

Two regions are currently testing and evaluating the transitional proposals. This will enable the review

group to share the findings with branches ahead of the 2014 national delegate conference. There will also be continued engagement with regional convenors and treasurers to ensure the longer-term scheme is feasible.

The group also recognises that changes already agreed to the day-to-day resourcing, operations and management of branch finances and those now being proposed as interim proposals will need time to enable branches and regions to receive training, monitor and evaluate their impact.

For these reasons, we are proposing an implementation date for the redistribution of a proportion of cash reserves of 1 January 2016.

Key dates

June 2014	Branch resources report and transitional proposals debated at NDC
During 2014	Branches will be updated with information on their expected 2014 income and branch funding
Oct 2014 - Mar 2015	Branches use the budget module in OLBA by using the version updated from their 2013 annual financial return or the budget they set as part of a modified joint branch assessment
2014 - 2015	NEC works with regions and branches to evaluate the impact of proposals on the future resourcing of branches
June 2015	Progress report to NDC on transitional proposals
By 15 Mar 2016	All branches finalise their 2015 year end accounts using OLBA
16 Mar - 31 Mar 2016	Branches notified of their percentage funding entitlement calculated in accordance with current branch funding scheme
Mar 2016 (the earliest)	Sliding scale applied to general fund branch reserves

Branch funding 2014

During transitional arrangements we reiterate the guarantee given during consultation that there will be no change to the current branch funding scheme.

For the duration of the transition period, the branch funding scheme will continue to guarantee:

- 23.5% of total annual subscription allocated to branch funding
- Each branch's funding entitlement will be calculated under the current scheme.

Historically, our procedures have meant that branches did not know their final income until six months after the year end. Feedback from branches highlighted these procedures as a barrier to setting and maintaining accurate budgets. In response, during 2014 these procedures will be changed by providing branches with quarterly updates that will include actual and projected income.

Branches will be able to access this data via OLBA.

This improved financial information, together with setting and maintaining budgets, will enable branches to proactively manage their finances.

Developing branch budgets

In 2013, UNISON's national delegate conference approved a rule change to rule G 9 that the branch committee 'shall from 1 January 2014 develop an appropriate annual budget as part of the joint branch assessment process in accordance with the Union's objectives and priorities.'

For 2014 branches will be encouraged to use the budgeting module in OLBA to set their branch budgets. Regions will be also be provided with historic branch expenditure data which will allow the joint branch assessment (JBA) process to ensure branches do not set unreasonable budgets.

In addition we will ensure the process includes

reviews into branch property and sharing resources as well as transfers into Industrial action, premises, and redundancy funds. These steps should allay any fears branches may have about other branches spending excessively and then receiving a top up through the redistribution process. In addition we will be able to provide help and support to branches where a jointly-agreed business need is identified.

We have included in the transitional proposals a role for the regional committee to resolve any disputes that may emanate from the JBA. This directly addresses a requirement from feedback during consultation.

By NDC 2015 branches will have maintained their financial records on OLBA for 18 months. Using this data, we will be able to assess the viability of a move to needs-driven, budget-based funding.

We have set up a range of courses throughout 2014 to train branch secretaries and treasurers in using these processes.

Key budget data for all branches will be available through OLBA, and we are developing an e-learning training environment as well as additional supporting materials in the branch finances handbook.

The sliding scale

During the transitional period the NEC believes the simplest and fairest way to ensure all branches have sufficient funds to meet their organisational needs is to redistribute a small proportion of reserves.

A sliding scale will be applied to the sum of money held by the branch in its general fund cash reserves at 31 December each year (as declared in the branch's annual return).

To see how this would apply, branches would need to divide their general fund reserves by the number of members in their branch. This would give them their per capita figure. And then refer to the table below.

Sliding scale for redistribution of reserves

Per capita reserves band		Redistribution	Contribution %
Above	At or Below		
£0	£15	Branch would receive a top up to bring reserves up to the per capita floor of £15	0%
£15	£21	Branches in this group will be expected to use their reserves unless they move to a different per capita band	0%
£21	£50	Branch would contribute 5% of reserves to the regional pool	5%
£50	£75	Branch would contribute 10% of reserves to the regional pool	10%
£75	£130	Branch would contribute 15% of reserves to the regional pool	15%
£130		Branch would contribute all reserves above the £130 ceiling to the regional pool to bring their reserves to the per capita ceiling of £130	All above £130

The following examples illustrate how the redistribution system would operate and whether a branch receives a top up from or makes a contribution to the regional pool. As previously stated, to help branches understand and to illustrate how the sliding scale would apply to their branch, a ready reckoner is being added to OLBA and the web-based annual financial return.

Some worked examples may help.

Members	Reserves	Per capita	Contribution	Amount
565	£23,000	£40.70	5% of £23,000 to the regional pool	£1,150
1,522	£18,790	£12.35	Top up to bring reserves to £15 per head (1522 x £15 = £22,830 - £18,790)	£4,040
867	£138,720	£160.00	All reserves above £130 to the regional pool (£138,720 less £112,710 (867 x £130))	£26,010
3,500	£66,500	£19.00	None	£0

The following table shows how the redistribution formula would have applied at the end of 2012.

Branch reserves as at 31 December 2012

Above	Below	Reserves Amount £	Branches		Membership		Sliding scale	
Per member			No.	%	No.	%	%	Redistribution £
	£15	3,415,000	198	20.50	434,323	32.43	0	3,099,715
£15	£20	4,857,000	124	12.84	277,116	20.69	0	0
£20	£50	1,268,1000	277	28.67	402,791	30.08	5	-634,067
£50	£75	7,998,000	135	13.98	131,614	9.83	10	-799,81
£75	£130	6,777,000	131	13.56	71,159	5.31	15	-1016,492
£130		4,197,000	101	10.45	22,196	1.66	100	-1,311,70
Totals		39,925,000	966	100.00	1,339,199	100.00		-662,360

Of the £39m held in reserves at this time, some £3m would have needed to be redistributed to ensure that each branch had reserves within the agreed range.

There are currently a small number of branches at either end of the proposals where the sums involved are very significant. For these reasons and to address the concerns raised by branches it is prudent to phase these proposals over more than one year. Therefore a cap will be proposed so that a branch will not receive or contribute any more than £25,000 in any one year.

Also during consultation many small branches (with less than 501 members) said that it would be more appropriate to operate an absolute figure for reserves. For this reason the redistribution will not apply where reserves are at or below £10,500 (£21 x 500 members) unless reserves are below £7,500 (floor x 500 members) where branches will receive a top up. This will result in 137 branches (24,301 members) now receiving a top up.

For branches with fewer than 501 members the following table will apply:

Branches with fewer than 501 members

Absolute reserves band		Redistribution	Contribution %
Above	At or Below		
£0	£7500	Receive a top up to bring reserves up to the £7,500 floor.	0%
£7500	£10,500	Branches in this group will be expected to use their reserves unless they move into a different absolute or per capita reserves band	0%
Per capita reserves band			
£21	£50	Branch would contribute 5% of reserves to the regional pool	5%
£50	£75	Branch would contribute 10% of reserves to the regional pool	10%
£75	£130	Branch would contribute 15% of reserves to the regional pool	15%
£130		Branch would contribute all of reserves above the £130 ceiling to the regional pool to bring their reserves to the per capita ceiling of £130	All above £130

Worked examples applying the provisions of the sliding scale for branches with fewer than 501 members

Members	Absolute Reserves	Per capita	Contribution	Amount
420	£6,500	Not applicable	Branch would receive a top up to bring their reserves up to the floor of £7,500	£1,000
420	£8,900	Not applicable	Branch is above floor but below ceiling for absolute reserves so would use their reserves unless they move into a different absolute or per capita reserves band	£0
499	£21,220	£42.52	Branch reserves above the absolute ceiling of £10,500 and would contribute 5% of reserves to the regional pool	£1,061
120	£15,500	£129.16	Branch reserves above the absolute ceiling of £10,500 and would contribute 15% of reserves to the regional pool	£2,235

The regional pool

All funds held in the regional pool will continue to be for the sole use of branches. The pool will continue to receive the 0.5% allocation guaranteed under the current funding arrangements which can be used for improved branch organisation. Any additional money generated by the redistribution of branch reserves will be allocated to regional pool balances under existing arrangements.

Guarantees and a step-by-step process

We recognise that these transitional proposals represent a departure from our current arrangements, so they will need to be closely monitored and evaluated by the NEC. In addition we are able to

provide a number of guarantees that should reassure branches:

- There will be no change to the 23.5% allocated to branch funding.
- Each branch's funding will be calculated using the same criteria as under the current scheme, by applying a branch's funding percentage entitlement to the subscriptions paid by their members.
- No changes will be made to the current scheme without a conference decision to change rule H4.1.
- There will be no transfer of cash or reserves from branches to the national union under these arrangements.

- e. The NEC will continue to consult with regions, branches, services groups and self-organised groups to ensure that branches have sufficient reserves to campaign, organise, represent and negotiate on behalf of all members.
- f. Consultation will include a full review of branch reserves, their level and any floor and ceiling.

The process of introducing the transitional proposals will be part of the ongoing changes to the way branches manage their funds. Each step will bring branches closer to the new ways of working and will allow UNISON to provide ongoing support and assess the impact of any further changes.

This includes:

- i. All branches to set budgets using OLBA for the financial year 2014.
- ii. Budgets to be agreed as part of their joint branch assessment.

- iii. Budgets must be monitored and reviewed by branch committees and by regions throughout each financial year.
- iv. Branches that may have a cash-flow shortfall will in the first instance need to liaise with their region.
- v. Training, help and support will be given to regions and branches.
- vi. The nominated regional lay body will resolve any disputes arising out of setting budgets as part of the joint branch assessment.
- vii. The regional pool will also be used to provide support for branch organisation and to promote sharing initiatives.
- viii. All funds in the regional pool will be under the supervision of a lay group.

The recommendations in this report are set out in full in Appendix A and are also the subject of an NEC motion to national delegate conference 2014.

Appendix A

Full text of the NEC motion to national delegate conference 2014

Safeguarding the union's future: NEC interim report on branch resources

This national delegate conference approves the transitional proposals set out in the report: *Safeguarding the union's future: NEC interim report on branch resources*, and calls on the NEC to implement their proposed arrangements.

Conference also calls on the NEC to review the operation of regional pool to ensure that all branches are fully aware that the pool exists to support branch development and to make sure that branches find it easy to apply for financial support.

These proposals are part of the ongoing review of branch funding set up following a motion to national delegate conference in 2011 where the NEC continues to engage with all levels of the union to ensure support for their on-going work and proposals.

Conference acknowledges that the NEC has and will continue to actively consult with regions, branches, service groups and self organised groups to address areas of concern as we all work towards ensuring the resourcing of branches is future-proofed.

The review takes place against the backdrop of ever-increasing challenges for our union. Activists are under intense pressure and it is more important than ever that our union makes best use of its resources at every level. Branches need to know that they will have the resources they need to support members and recruit and organise.

While all branches continue to prudently and responsibly manage their finances, consultation highlighted the uneven change in branch reserves since 2002. Therefore these proposals aim to ensure that all our branches have adequate reserves to meet the challenges ahead.

The proposals reflect extensive consultation with branches, and have been modelled to ensure that they are affordable and fair.

A sliding scale will be used to redistribute a proportion of the money branches hold in their reserves. These carefully costed proposals should ensure the financial stability of branches in the short term by ensuring each branch holds sufficient reserves to meet its organisational needs.

It is recognised that these transitional proposals represent a departure from our current arrangements so they will need to be closely monitored and evaluated by the national executive council, regions and branches.

The proposed arrangements are set out below;

Section A

Date of implementation

1. The earliest date the new arrangements for the redistribution of money held in branch general fund reserves using the sliding scale will be 1 January 2016 subject to the following conditions
 - a. The NEC will continue to consult with regions, branches, service groups and self organised groups to ensure that branches have sufficient reserves to campaign, organise, represent and negotiate on behalf of all their members.
 - b. Consultation will also include a full review of branch reserves, their level and any floor and ceiling

Branch funds subject to redistribution

2. The sliding scale would be applied to the sum of money held by the branch in its general fund cash reserves at 31 December each year (as declared in the branch's annual return).

Branch funds excluded from redistribution

3. The following funds would not be included in the figure used to determine the money held in general branch funds available for redistribution.
 - a. Previously agreed Fighting Fund reserves
 - b. Industrial action /hardship fund reserves
 - c. Premises fund reserves
 - d. Redundancy fund reserves
 - e. Branch money held in fixed assets such as land, building, fixtures, fittings and computer equipment.

Section B

Principles governing the redistribution of branch general fund cash reserves

4. A floor and ceiling would be introduced setting

the minimum (floor) and maximum (ceiling) amounts a branch can hold in its branch general fund cash reserves.

5. A branch would not receive or contribute any more than £25,000 in any one year under these proposals.
6. A branch will only receive a top up from the sliding scale if their expenditure in any year after 2013 has been approved through the joint branch assessment process.
7. A branch setting a deficit budget in any year after 2013 must have this approved through the joint branch assessment process.
8. If the application of the sliding scale generates any surplus money this would be redistributed in the normal way through the regional pool.

The sliding scale criteria

9. The floor and ceiling calculation would take the amount of money in a branch's general fund cash reserves (as declared in their annual return) and divide this by their membership. The figure will be rounded to the nearest pound.
10. For branches with more than 500 members a floor of £15 per member and a ceiling of £130 per member will be applied to general fund cash reserves.
11. For branches with fewer than 501 members a floor of £7,500 (£15 x 500 members) and a ceiling of £10,500 (£21 x 500 members) would be applied to general fund cash reserves. If those branches are holding reserves amounting to more than £21 per member in their general fund cash reserves the sliding scale will apply.
12. If a branch sets a deficit budget and their reserves are greater than the floor of £15 per member, they would be expected to use their reserves.
13. At the end of each financial year, in accordance with proposal 5 above, a branch would not receive or contribute any more than £25,000 from its general fund cash reserves.

£21 per member would not receive a top up or make a contribution.

- c. Branch reserves above £21 or at or below £50 per member would contribute 5% of their reserves to the regional pool.
- d. Branch reserves above £ 50 or at or below £75 per member would contribute 10% of their reserves to the regional pool.
- e. Branch reserves above £75 or at or below £130 per member would contribute 15% of their reserves to the regional pool.
- f. Branch reserves above £130 per member would contribute 100% of all reserves above £130 per member to the regional pool.

15. Branches with fewer than 501 members

- a. Branch reserves that are at or below the floor of £7500 would receive a top up from the regional pool to bring their reserves up to £7,500.
- a. Branch reserves above £7,500 or at or below £10,500 would not receive a top up or make a contribution.
- b. Branch reserves above £21 or at or below £50 per member would contribute 5% of their reserves to the regional pool.
- c. Branch reserves above £ 50 or at or below £75 per member would contribute 10% of their reserves to the regional pool.
- d. Branch reserves above £75 or at or below £130 per member would contribute 15% of their reserves to the regional pool.
- e. Branch reserves above £130 per member would contribute 100% of all reserves above £130 per member to the regional pool.

How the sliding scale would operate

14. Branches with more than 500 members
 - a. Branch reserves that are at or below the floor of £15 per member would receive a top up from the regional pool to bring their general fund reserves up to £15.
 - b. Branch reserves above £15 or at or below

Appendix B

NEC expenditure 2013

For the purposes of this report, expenditure at national level, which accounts for 76.5% of the union's budgeted expenditure, was grouped into four categories – supporting members, supporting the union, union democracy, and donations and transfers, as illustrated in Table 1 below.

The table shows that nearly two-thirds (64.1%) of NEC expenditure was spent on supporting members.

Table 1

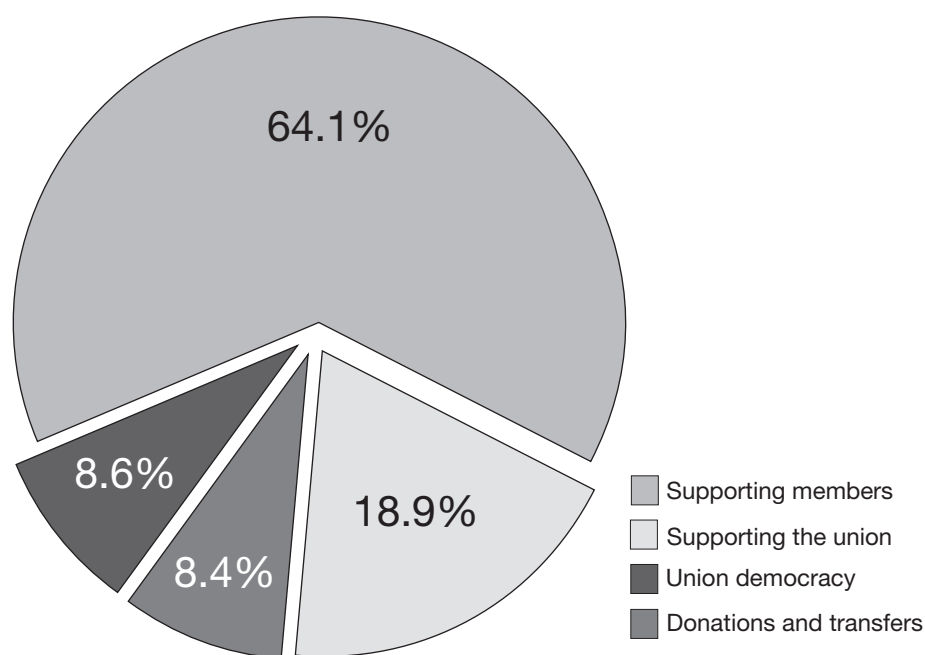


Table 1 data

<i>Union activity</i>	<i>Percent</i>	<i>Expenditure</i>
Supporting members	64.1%	82,110
Supporting the union	18.9%	24,166
Union democracy	8.6%	11,081
Donations and transfers	8.4%	10,736
Total expenditure	100.0%	128,093

NEC expenditure by area for 2013

Area ,000's

Supporting members

Training members	1,965
Organising and recruiting (inc FF)	5,159
Communicating with members	5,831
TU affiliations and conferences	5,749
Regional support for members	47,859
Service groups	5,467
Rule book benefits	416
Legal services (including equal pay)	9,266
Other services to members	158
Procurement support for branches	240
Total	82,110

Supporting the union

HR and staff training and development	1,953
IT and support services for union	9,205
Finance support	1,912
IT improvements	220
Pensions	1,850
Depreciation	5,426
Insurances	1,100
Offices and facilities	2,500
Total	24,166

Union democracy

Democratic services (inc conferences)	3,317
Member liaison	1,196
Management and committees	1,793
Membership system	2,920
Self-organised groups(including young members and retired members)	1,426
Press office	429
Total	11,081

Donations and transfers

Political funds	6,226
Lay committees	2,016
Industrial action fund	1,283
Welfare	712
International support	499
Total	10,736

Expenditure total 128,093

Appendix C

Branch resources review Q & A

Throughout the consultation some common questions were raised. We thought it would be useful to present these in a question and answer format here.

Q: Why should my branch give up any of the reserves we have tried so hard to build up?

A: UNISON is a not-for-profit organisation. The money we have should be spent on supporting our members and building our union. While it is sensible to have some reserves, it would be better for the union if all branches had enough money to support their members, rather than some branches having very large reserves and others having nothing.

Q: Why should we give money to branches that are overspending?

A: We don't think that is what will happen. All branches will move towards setting and monitoring budgets as part of the Joint Branch Assessment (JBA) and this will help to ensure they set realistic budgets and work within them.

Q: How will the proposals prevent 'fire sales' and what measures will be introduced to regulate what branches spend?

A: All branches will be budgeting using the online branch accounting (OLBA) system, which means there will be data to see how money is spent. Budgeting will be done as part of the JBA process and any disputes arbitrated at regional level. A branch will only receive a top-up from the redistribution if their expenditure in any year after 2013 has been approved through the JBA process. A branch setting a deficit budget in any year after 2013 would also have to have this approved through the JBA process.

Q: Which reserves would be included and why?

A: The sliding scale will be applied to the sum of money held by the branch in its general fund cash reserves at 31 December each year (as declared in the branch's annual return).

Q: Surely, for some branches a per capita floor and ceiling will not amount to very much money?

A: Yes, for very small branches, that is the case. For this reason, we're proposing an absolute figure for reserves. The redistribution will not apply where reserves are at or below £10,500 – unless they are below £7,500 in which case branches would receive a top-up.

Q: How can I explain what the sliding scale and redistribution means to my branch committee and members?

A: The sliding scale and redistribution is a way to ensure that all our members and all our branches are protected in these tough times. It means every branch will have enough money to operate effectively and that some branches which hold onto very large reserves will pay a proportion into the regional pool. That money will be distributed to those branches that have little or no reserves. The sliding scale simply ensures there is a fair redistribution.

Q: Can we see worked examples for the sliding scale?

A: There are worked examples in the NEC report. Also to assist branches, there will be a ready reckoner on OLBA for quick reference.

Q: How many years would the sliding scale apply for?

A: The sliding scale is an interim measure, so it would operate until a new resourcing scheme is agreed by UNISON's national delegate conference.

Q: How will you regulate what monies branches can move out of general reserves into other funds?

A: All funds which branches may establish are already governed by their own rules and regulations.

Q: When would the floor and ceiling limits be calculated?

A: These would be calculated and published within the financial statements issued to conference each year.

Q: Would it not be reasonable to limit the amount of money any branch has to make available for redistribution?

A: We've taken this point on board and no branch will receive or contribute any more than £25,000 in any one year.

Appendix D

Membership of the branch resources review group

The national executive council (NEC) asked the finance and resource management committee to set up a group to take forward the work outlined in the original motion to national delegate conference in 2011.

Project group members

Mike Hayes, NEC
Josie Bird, NEC
Katie Collins, NEC
Liz Cameron, NEC
Jane Carolan, NEC
Sue Highton, NEC
Diane Kelly, regional convenor
Clare Williams, regional convenor

Officers

Bronwyn McKenna, AGS organisation and resource development
Cliff Williams, AGS regional management and governance
Steve Tasker, director of finance
Raj Ashra, director of finance (from July 2013)
Sotirios Loizou, project manager
Serena Hadley, project team member
Keith Heron, regional manager
Brian Hicks, programme and project officer

